

Alexandru Bittner

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Government Exhibit

Alexandru Bittner

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		Page 5	Page 7
1	EXHIBITS (Continued.)		
2	PLAINTIFF EXHIBIT DESCRIPTION	PAGE	
3	Exhibit 30 Document Bates stamped DOJ000726...	203	1 citizen, I think I did this (indicating.) I don't
4	Exhibit 31 Document Bates stamped DOJ002747...	212	2 remember.
5	Exhibit 32 Document Bates stamped DOJ002959...	215	3 Q. Okay. So let's go over some ground rules that
6	Exhibit 33 Document Bates stamped DOJ002966...	220	4 will help us as we go through the deposition today.
7	Exhibit 34 Document Bates stamped DOJ001061...	227	5 So, for the record, the deposition will be taken
8	Exhibit 35 Report of Foreign Bank and Financial Accounts.....	230	6 under the Federal Rules of Civil Procedure, and so
9			7 today's deposition is -- do you understand today that
10	Exhibit 36 Letter to U.S. Department of the Treasury, Internal Revenue Service, from Alexandru Bittner, DOJ000271..	232	8 your testimony here today is under oath just as it would
11			9 be if you were in the court?
12	Exhibit 37 Letter to U.S. Department of the Treasury, Internal Revenue Service, from Alexandru, DOJ000272.....	233	10 A. Yes, I do.
13			11 Q. Okay. And one of the things we have to do
14	Exhibit 38 Statement of Reasonable Cause Per FS-2011-13.....	236	12 today, the deposition is -- I'm going to ask questions,
15	Exhibit 39 Statement of Reasonable Cause Per Treas. Regs. 1.6038-2(k) (3).....	245	13 and you're to provide answers, but your answers have to
16			14 be audible. You have to speak. So you can't shake --
17	Exhibit 40 Certification by U.S. Person Residing Outside of the United States for Streamlined Foreign Offshore Procedures.....	250	15 you can shake your head and nod, and while everyone here
18			16 in the room will know what you're talking about --
19	Exhibit 41 Report of Foreign Bank and Financial Accounts.....	252	17 A. I just got it five seconds ago.
20			18 Q. Great. So that makes for a clear record.
21	Exhibit 42 Document Bates stamped DOJ000296...	255	19 A. Right.
22			20 Q. That gets us to the other point, one of the
23	Exhibit 43 U.S. Treasury Department-Internal Revenue Service EXPLANATION OF ITEMS	257	21 other things we have to do for our deposition today.
24	DEFENDANT EXHIBIT DESCRIPTION	PAGE	22 The court reporter here is going to take down my
25	Exhibit 20 ORIGINAL UNITED STATES TAX COURT DECISION.....	283	23 questions and answers and anything your counsel says, so
			24 we have to make sure we don't talk over each other. Can
			25 you agree to that?
1	(Witness sworn.)	Page 6	Page 8
2	THE WITNESS: I've never done this (indicating)		
3	before. I have to make a note.		
4	ALEXANDRU BITTNER,		
5	having been duly sworn, testified as follows:		
6	EXAMINATION		
7	BY MR. LINDER:		
8	Q. Mr. Bittner, we're here today for your		
9	deposition. My name's Herb Linder, I'm with the United		
10	States Department of Justice. I represent the United		
11	States, and this is in the case of the United States		
12	versus Alexandru Bittner, pending in the Eastern		
13	District of Texas, Sherman Division, Case No.		
14	19-cv-00415.		
15	Good morning, Mr. Bittner.		
16	A. Good morning.		
17	Q. So I'm going to start off the deposition today		
18	just kind of going over the ground rules. As we		
19	started, you said -- have you ever had your deposition		
20	taken before?		
21	A. No, I haven't. That was half a joke and half		
22	the truth. I never did this (indicating.)		
23	Q. Okay. And have you ever testified in court --		
24	A. Actually, I think when I became a citizen, but I		
25	don't remember. I think when -- in '97 when I became a		

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<p>1 party to a lawsuit --</p> <p>2 A. No.</p> <p>3 Q. -- in the United States.</p> <p>4 Okay. So now we're gonna -- did you prepare for</p> <p>5 your deposition today?</p> <p>6 A. I came here last after -- yesterday</p> <p>7 afternoon--because the flights in the morning are no</p> <p>8 good--and I talked to Mr. Katz for two hours before I</p> <p>9 went to the hotel.</p> <p>10 Q. Okay. And when you were speaking with Mr. Katz,</p> <p>11 did you look at any type of doc- -- did you look at any</p> <p>12 kind of documents?</p> <p>13 A. A few.</p> <p>14 Q. Okay.</p> <p>15 A. Two or three documents.</p> <p>16 Q. All right. And what documents did you</p> <p>17 specifically look at?</p> <p>18 A. I look at Beckley -- what I -- I -- we tried</p> <p>19 together to remember Beckley incident. Then what?</p> <p>20 Then -- what else?</p> <p>21 MR. KATZ: Whatever you remember.</p> <p>22 THE WITNESS: Beckley and -- I -- I saw the</p> <p>23 document which I signed that -- my affidavit of whatever</p> <p>24 it is that -- I have it with me.</p> <p>25 My whole life history, that I was born in</p>	<p>1 THE WITNESS: Right.</p> <p>2 MS. RUBENSTEIN: -- of them.</p> <p>3 THE WITNESS: I didn't say "all." I said, "The</p> <p>4 documents." "Documents."</p> <p>5 BY MR. LINDER:</p> <p>6 Q. Well, okay, let's -- tell me some about like</p> <p>7 your educational background like if you -- where you</p> <p>8 went to high school, if you have a degree. Just kind of</p> <p>9 outlining for me what your educational background would</p> <p>10 be, if you can.</p> <p>11 A. So I went to school in (inaudible) -- being a</p> <p>12 socialist country, which some people should visit before</p> <p>13 they go to vote for socialism -- I have to say this --</p> <p>14 your life it's run by the government beginning with high</p> <p>15 school.</p> <p>16 So you want to go to high school, you have to</p> <p>17 pass an exam. All the kids want to go to high school.</p> <p>18 Usually for the good high schools, there are ten kids</p> <p>19 for one place, and it goes up. You don't pass the high</p> <p>20 school, you are being sent -- you kind of forfeit your</p> <p>21 life, your future, because there is no second chance.</p> <p>22 You are sent to school to make you a mechanic,</p> <p>23 which is not high school. It's school of -- of giving</p> <p>24 you -- school of giving you a job. That's a fair</p> <p>25 translation.</p>
<p>1 Romania and I did this and I did that, that document. I</p> <p>2 had to remember my life, basically.</p> <p>3 Q. All right.</p> <p>4 A. All right, this. This is --</p> <p>5 MR. LINDER: Real quick -- thank you.</p> <p>6 MR. KATZ: Just for the record, Mr. Bittner</p> <p>7 produced copies of three statements of reasonable cause,</p> <p>8 which I believe he was referring to.</p> <p>9 THE WITNESS: Oh, this, yes.</p> <p>10 I'm not doing very good with this. I keep</p> <p>11 forgetting about this microphone.</p> <p>12 BY MR. LINDER:</p> <p>13 Q. And you said you looked at some documents</p> <p>14 regarding -- you looked at some documents regarding</p> <p>15 Mr. Beckley?</p> <p>16 A. Yes.</p> <p>17 Q. And do you remember what you looked at?</p> <p>18 A. I looked at -- I tried to -- first of all, we</p> <p>19 tried to remember how I found Beckley and why I found</p> <p>20 Beckley and so on and so on. And then I looked at the</p> <p>21 documents that Beckley asked me to give to him and what</p> <p>22 I gave to him in order for him to do his work, whatever</p> <p>23 he did.</p> <p>24 MS. RUBENSTEIN: For clarification, we looked at</p> <p>25 just a few Beckley documents, not all --</p>	<p>1 Once you get in the high school, you can</p> <p>2 choose -- high school is four years. High school starts</p> <p>3 after the eighth grade. It's 9, 10, 11, and 12th grade.</p> <p>4 That's high school.</p> <p>5 In year 10 you can choose to be a lawyer, an</p> <p>6 accountant, a writer, a poet, whatever, or you can</p> <p>7 choose to be an engineer, physicist.</p> <p>8 So after the two years, they split the</p> <p>9 curriculum. Here you get a lot of more language,</p> <p>10 philosophy, blah, blah, blah, and here you get a lot of</p> <p>11 mathematics, physics, chemistry and things.</p> <p>12 Q. Okay. And so --</p> <p>13 A. After that I went to -- after that you go to</p> <p>14 university, but you already split your life when you</p> <p>15 were in -- when you were 17, they ask you to split your</p> <p>16 life, the communists. Which they call themselves</p> <p>17 socialists, but they are communists. All of them</p> <p>18 communists.</p> <p>19 Because here you do a lot of math, you go to --</p> <p>20 for to become an engineer, you know, something that has</p> <p>21 to do with math, physics, chemistry, and so on. Here</p> <p>22 you do like they are called liberal choices. You can be</p> <p>23 an accountant, a lawyer, a teacher, stuff like that.</p> <p>24 Q. And which one did you choose?</p> <p>25 A. So I went for -- it's called mechanical. It's</p>

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<p>1 called the -- it's Politehnica University of Bucharest, 2 which is actually well-known in Europe. It's a good 3 university --</p> <p>4 Q. And you went there --</p> <p>5 A. -- for --</p> <p>6 Q. Go ahead.</p> <p>7 A. -- for mechanical engineering, I thought I'm 8 gonna end -- finish in general mechanics, engineering. 9 And, of course, the communists decided after two years, 10 three years, they split us without asking us, and I end 11 up being a mechanic -- a mechanical engineer for 12 chemical industry.</p> <p>13 Q. Okay. And --</p> <p>14 A. So, theoretically, I know how to operate or how 15 to build or how to make the drawings of a refinery, 16 since we are in Texas.</p> <p>17 Q. Okay. And --</p> <p>18 A. And that makes me very intelligent.</p> <p>19 Q. It makes you very what?</p> <p>20 A. A very intelligent guy. Because of that, I 21 should know the law of United States.</p> <p>22 Q. Okay. So you went through this university for 23 what, two to three years or --</p> <p>24 A. Five years.</p> <p>25 Q. -- what? Five years.</p>	<p>Page 17</p> <p>1 Romania?</p> <p>2 A. I left Romania in 1992, in August, but then I 3 was sponsored by the Jewish community. Then they kept 4 us -- they kept us in Italy for two months to -- for The 5 American Embassy to check up on us. And, then -- so 6 beginning of December 1992, I was in Los Angeles.</p> <p>7 Q. And you were sponsored by Israel. Did you 8 actually go to Israel?</p> <p>9 A. No.</p> <p>10 MR. KATZ: Objection; mischaracterizes the 11 testimony.</p> <p>12 BY MR. LINDER:</p> <p>13 Q. So you left Romania --</p> <p>14 A. It's -- it's somewhere in the --</p> <p>15 MR. KATZ: Mr. Bittner --</p> <p>16 MR. LINDER: You have to let me finish.</p> <p>17 MR. KATZ: -- it would be easier if you --</p> <p>18 MR. LINDER: Yeah.</p> <p>19 MR. KATZ: -- if you let Mr. Linder ask the 20 questions --</p> <p>21 THE WITNESS: I'm trying very hard.</p> <p>22 MR. KATZ: Just answer him, okay?</p> <p>23 BY MR. LINDER:</p> <p>24 Q. So I know you left -- you left Romania.</p> <p>25 A. Right.</p>
<p>Page 18</p> <p>1 A. Between the high school and university, you have 2 to go -- you have to go to the army one year.</p> <p>3 Q. Okay.</p> <p>4 A. It's not volunteer. It's everybody has to.</p> <p>5 Q. So you were in the Romanian Army for one year?</p> <p>6 A. Romanian Army for one year.</p> <p>7 Q. And what did you do in the army?</p> <p>8 A. We've been assigned as brigade of mountain 9 artillery. So basically what we did is up and down the 10 mountain all day long.</p> <p>11 Q. Okay. And you mentioned being in Texas and 12 refineries. Have you studied refineries here? Are you 13 involved in the refinery business?</p> <p>14 A. No. I came here in 1992 after I escaped the 15 communists, and my first job was a dishwasher. And my 16 first job was in California because my sister was in 17 California.</p> <p>18 Q. All right.</p> <p>19 A. She was already here, so she helped me out.</p> <p>20 Q. And --</p> <p>21 A. But dishwashing has to do with pipes, the flow 22 of liquid, whatever -- so I am joking. I have to joke 23 from time to time.</p> <p>24 Q. That's okay.</p> <p>25 So you left Romania when? When did you leave</p>	<p>Page 20</p> <p>1 Q. And you said something about being sponsored, 2 you got put to Italy. I'm just trying to understand 3 that process of who sponsored you, how that worked. I 4 wasn't -- I was just trying to figure that out.</p> <p>5 A. International Hebrew Associate. Here --</p> <p>6 Q. Okay.</p> <p>7 A. -- H-I-A-S, Hebrew International Association for 8 something. It's a Jewish -- but not only the Jew 9 participate. But theoretically it's to help the Jewish 10 people to escape from communist countries.</p> <p>11 Q. And --</p> <p>12 A. But not -- not you have to escape and go to 13 Israel. You have to -- we help you to escape, and you 14 go wherever you want.</p> <p>15 Q. Okay.</p> <p>16 A. So I went to --</p> <p>17 Q. All right. So do you speak different languages?</p> <p>18 A. When I was a kid, I used to speak, of course, 19 Romanian and French very well. I can still read French 20 and watch -- kind of watch a movie.</p> <p>21 When we decided -- the family decided that I 22 will go to United States, I will come to United States, 23 I switched to English.</p> <p>24 So right now I speak Romanian and English well. 25 I consider myself. And still French, it's behind, but I</p>

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1 cannot speak it. Very funny, I can read it, I can 2 understand, but I cannot speak it. It comes out in 3 English. 4 Q. And that's the only other languages? That's it? 5 A. Yes. 6 Q. Okay. 7 A. We didn't speak -- oh. 8 Q. Go ahead. 9 MS. RUBENSTEIN: You're okay. 10 THE WITNESS: We didn't speak -- we didn't speak 11 English at home. It was -- 12 BY MR. LINDER: 13 Q. That was my next question. Thank you. Good 14 anticipation on that one. 15 So you touched on coming to the U.S. So let's 16 just start there. So you came to the United States--and 17 I'll make sure to get your testimony correct--sometime 18 in December of 1982 -- 19 A. Correct. 20 Q. -- is that right? 21 A. Correct. 22 MR. KATZ: Objection. I think you misspoke. 23 Did I hear '82? 24 THE WITNESS: 1982. 25 MR. KATZ: 1982. I'm sorry. I'm sorry.	Page 21 1 Q. And do you know what her husband's name is? 2 A. Emil. 3 Q. What -- 4 A. Emil. 5 Q. Can you spell that? 6 A. E-M-I-L. 7 Q. So when you came here in December of '82, did 8 you originally start living with your sister? I'm kinda 9 trying to understand what -- 10 A. At that moment they were managers for an 11 apartment building, apartment building, apartment 12 complex, among other things they were doing. And they 13 rented a small apartment in the same building, but 14 not -- higher level, so not expensive. At the ground 15 level, not so expensive. 16 And she told me, "Hey, start to -- I'm gonna 17 keep you, pay for your apartment and your expenses. 18 Start to accumulate your diploma to find a good job." 19 And I said, "Do you see any refineries around 20 here?" 21 She said, "No." 22 I said, "Okay, forget it." So I'm just, "I want 23 to work." 24 She said, "But your English is not so good." 25 I said, "Okay," but just with English not so
1 THE WITNESS: I remember because in the 2 communists, they turn off your lights, the whole city. 3 The communists turn the big back on. 9:00 o'clock, no 4 lights, no power, no nothing. And from -- before 5 Christmas in totally dark Romania, come to Christmastime 6 in Los Angeles, I was like that (indicating.) 7 BY MR. LINDER: 8 Q. You came to Los Angeles I think because you had 9 a sister -- 10 A. Sister. 11 Q. -- living in the United States? 12 A. Yes. 13 Q. And what is your sister's name? 14 A. C-O-B-A-R, Cobar, Natalia. Natalia. L-I-A, not 15 Natalie. Natalia. 16 Q. And she lived where? 17 A. She lived in Los Angeles. 18 Q. Okay. And do you have any other siblings? 19 A. She is married. 20 Q. Okay. Other than your sister in Los Angeles, do 21 you have any other brothers and sisters? 22 A. No. 23 Q. And is your sister that lives in Los Angeles -- 24 is she married? 25 A. She is married and one kid.	Page 22 1 good. 2 And she was managing a couple of restaurants at 3 the time, and she said, "I cannot put you in front 4 because you cannot speak this," you know. 5 So I said, "What?" Dishwasher. Okay, 6 dishwasher. That's it; my first job. 7 Q. And so when you came to the United States, did 8 you take any -- did you take like any kind of English 9 classes, or did you just try to learn English -- 10 A. No, I did not have time. I was trying to make 11 money. 12 Q. Okay. And so you started out washing dishes in 13 your sister's -- in restaurants that your sister 14 managed; is that accurate testimony? 15 A. Yes. 16 Q. Okay. And then -- 17 A. Second job. 18 Q. And then you had a second job. 19 A. Yeah. 20 Q. Okay. So that -- 21 A. I wash dishes in the second restaurant. So from 22 8:00 in the morning to 1:00 o'clock, and from 2:00 to 23 8:00 o'clock in the second restaurant. 24 Q. Okay. And was there a time that after you -- 25 did you have another job other than washing dishes while
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<p>1 you were –</p> <p>2 A. After washing dishes, I became a cook.</p> <p>3 Q. Okay.</p> <p>4 A. Then I became a waiter. Then I became a maître d, like voice over of a bunch of waiters. Then I became a chef. It was a simple food restaurant; not very complicated. And then I became a restaurant manager.</p> <p>8 And then I had a crisis in my life, and I said, "What am I going to do with this? I'm going nowhere."</p> <p>10 Then I quit.</p> <p>11 And I went to do something mechanically with my – with what I learned. And, actually, I am very mechanically gifted. So I went and I – the guy hired me later – the owner hired me. Later he told me he hired me because I was big and he thought I can dig fast, and he hired me as an apprentice plumber. So I started my plumbing stuff.</p> <p>18 Q. Okay. And so, when did you start -- do you remember what year you started the plumbing?</p> <p>20 A. Right after -- like within a year. Within a year. I didn't like the restaurant. I – on the restaurant, I moved fast because I can catch up fast and because probably my sister was in charge. But I didn't like it and I didn't see any future in it, so I moved out of -- probably a year and a half.</p>	<p>Page 25</p> <p>1 charge of building new buildings from the ground up and 2 so --</p> <p>3 Q. And there ever -- during this time frame did you 4 ever – did you like ever buy and sell real estate? Did 5 you do that?</p> <p>6 A. In the last year -- in the last year -- I left 7 in 1999 -- at the beginning of '99, I started -- I quit 8 my job. I was at that time with the City of Los Angeles 9 as a master plumber. Good job, good pension, not too 10 much work. Any way --</p> <p>11 Q. So I want to get back. So --</p> <p>12 A. So before that, my -- my in-law -- my son -- not 13 son. The guy married to my sister, what's --</p> <p>14 MR. KATZ: Brother-in-law.</p> <p>15 THE WITNESS: Brother-in-law.</p> <p>16 BY MR. LINDER:</p> <p>17 Q. And what was his name again?</p> <p>18 A. Emil.</p> <p>19 Q. Emil --</p> <p>20 A. Emil.</p> <p>21 Q. -- Cobar?</p> <p>22 A. Cobar, C-O-B-A-R. He had this -- he was doing real estate, agent, and he got this idea, and we put some money together and we bought a house. So his job 25 was to find the house, to do the paperwork, and then to</p>
<p>1 Q. All right. And –</p> <p>2 A. So this is -- once again, if I'm not accurate, this is 1983. Lifetime ago.</p> <p>4 Q. And how long did you do the plumbing work? Did 5 you do anything other than plumbing work?</p> <p>6 A. No. What we – what I did is plumbing apprentice. Then there were -- being in Los Angeles, there were the unions, and the unions had – said you have to be five years apprentice before you can be a master plumber.</p> <p>11 And then I remember I still have this diploma from being an engineer. I have a master of science engineer. So I went to the city and I asked the guy at the counter, he said, "I never saw such a thing in my life." He called the boss, the boss said, "What's this?" And he said: This guy has a master in engineering. And I need you to approve me to go to the exam. Not to give me the license, but just to cut the years that the union wanted me, five years. For what? I am – and he did.</p> <p>21 Q. So you took the exam?</p> <p>22 A. I took the exam, and I got "perfect ten" you say in East Europe. Here you say "A plus." So I got my license. And I started to move up on the plumbing scale: Master plumber, then building up -- being in</p>	<p>Page 26</p> <p>1 sell the house. And my job was to fix the house.</p> <p>2 Q. Okay.</p> <p>3 A. And we were splitting 50/50. At this moment I don't think it's fair, but at that moment I thought it was fair.</p> <p>6 So we fixed the house, and so probably we did two like this, then I said, "That's it, I'm going back to Romania. Find somebody else."</p> <p>9 Q. Okay. And while you were in the U.S. before – 10 you said you moved back to Romania in 1990; is that 11 correct?</p> <p>12 A. In a way, but with the following amendments.</p> <p>13 Q. Okay.</p> <p>14 A. At that moment I had a wife and a small kid, so 15 I took off from job, I quit the job, and I went back to 16 Romania by myself. I was staying in Romania like two or 17 three months and coming back to -- to L.A. a month. And 18 I did this for a year until I felt that Romania is -- 19 has potential. Then I talked to my wife, and I said, 20 "Okay, let's move."</p> <p>21 Q. Now, before you went to Romania, you filed 22 United States tax returns; is that correct?</p> <p>23 A. I was -- I filed, but it was very simple because 24 I was working for somebody and I got salary, and 25 whenever I did that one, two, three houses, it was -- I</p>

<p style="text-align: right;">Page 41</p> <p>1 do this. You're supposed to work. You're not supposed 2 to serve the (inaudible) so -- I'm joking. 3 I mean, you're supposed to be a good citizen, 4 which I think I was. 5 Q. All right. We didn't cover this earlier. But 6 if there's any time you need a break, if you need to 7 take a break, use the restroom, you need a drink of 8 water or something, you need a break, you just ask and 9 we'll take a break. 10 A. All right. 11 Q. It's just a rule. I just want to make sure you 12 understand this so it doesn't happen is that you can 13 take a break, but you can't take a break while you have 14 a question pending. 15 Do you know what I mean by that "question 16 pending"? 17 A. (Nodding head up and down.) 18 Q. So if I've asked a question, you've got to 19 answer it -- 20 A. Like I need to go and think about it. 21 Q. Well, I don't want to put suggestions in your 22 mind. When I ask a question -- 23 A. Okay. 24 Q. -- you need to answer it, and then if you want 25 to take a break, we'll take a break. You --</p>	<p style="text-align: right;">Page 43</p> <p>1 A. Expired. 2 Q. Okay. And do you know when it expired? 3 A. Six months ago. 4 Q. Okay. 5 A. Oh. No. I think it expired -- does it not 6 expire on your birthday? It's not connected to your 7 birthday? I think it's connected -- any way, last year, 8 August or after August. 9 Q. So any time within the last -- 10 A. Six, eight months. Something like that. 11 Q. Sometime within the last year your passport 12 expired. 13 A. Right. 14 Q. And when you traveled to Romania to move there, 15 did you use your U.S. passport to enter the country, or 16 did you use your Romanian passport? 17 A. You use both. 18 Q. You use both. 19 A. Because in Romania, at the beginning, if you 20 come with U.S. passport, they will investigate you, and 21 so you switch the passports: Where am I? In Romania. 22 Okay, so Romanian passport. Where I am? United States. 23 United States passport. 24 Q. So you moved back to the United States 25 permanently sometime when?</p>
<p style="text-align: right;">Page 42</p> <p>1 A. All right. 2 Q. -- just can't take a break while we've got that 3 hanging out there. 4 A. Okay. 5 Q. And I should have said that earlier, but I just 6 want to make sure we got that ground rule in there. 7 All right. And when you went back to Romania, 8 did you have a -- at that time did you have a U.S. 9 passport? 10 A. Yes. 11 Q. Okay. And did you -- at that time when you went 12 back, did you still have a Romanian passport? 13 A. Yes. 14 Q. Okay. Do you still have a Romanian passport? 15 A. Yes. 16 Q. Okay. And what about a U.S. -- 17 A. What I don't have -- 18 Q. Go ahead. 19 A. I don't have a valid U.S. passport because I'm 20 too lazy to do -- I have to go to the CVS to take a 21 picture, but I -- my kids told me. And I -- 22 Q. So -- 23 A. Okay. 24 Q. Okay? So right now your U.S. passport has -- 25 would it be fair to say it's expired?</p>	<p style="text-align: right;">Page 44</p> <p>1 A. To Romania you mean. 2 Q. You moved from Romania back to the United States 3 approximately when? 4 A. What do you mean "back"? 5 Q. So you lived in Romania for -- for how long did 6 you live in Romania? 7 A. Oh. I lived in Romania since 1990 to 2012. 8 2000- -- no, 2011, November. 9 Q. All right. 10 A. Okay. 11 Q. And during this time frame, this 1991 to 2011 12 time frame, did you always have a valid U.S. passport? 13 A. Yes. 14 Q. Okay. And did you have to ever renew your 15 passport? 16 A. I think so. 17 Q. Do you remember renewing your U.S. passport when 18 you were living in Romania? 19 A. I always had a valid passport. I don't know 20 when I renew it if I was in Romania or if I send it -- 21 no, probably I renew it at the embassy over there. 22 Q. Do you remember how you renewed it? 23 A. I just went and said, "I need a new passport." 24 Q. Okay. And when you say you went to the embassy, 25 did you physically go to the embassy?</p>

<p>1 A. Yeah. It's -- Bucharest is not like here.</p> <p>2 Bucharest, everything is 10 minutes away.</p> <p>3 Q. Okay. So you physically went to the embassy.</p> <p>4 A. Yes.</p> <p>5 Q. And when you moved back, you didn't renounce</p> <p>6 your United States citizenship when you moved back to</p> <p>7 Romania, did you?</p> <p>8 A. No.</p> <p>9 Q. Okay.</p> <p>10 A. And I did register with the -- with The American</p> <p>11 Embassy. I was registered -- actually, I re-registered</p> <p>12 every time I moved my address where I -- I -- my house.</p> <p>13 Where I used to live in Bucharest, every time I moved to</p> <p>14 a different address, I --</p> <p>15 Q. Okay.</p> <p>16 A. -- re-registered.</p> <p>17 Q. So explain to me how you registered with the</p> <p>18 embassy. Explain that process to me.</p> <p>19 A. It's nothing that I remember, but I would</p> <p>20 imagine I go there and say, hey, I have a new address.</p> <p>21 Somebody would say, yes, what's the new address?</p> <p>22 Q. Okay.</p> <p>23 A. This is the new address.</p> <p>24 Q. Okay. So you think you physically went to the</p> <p>25 embassy and registered?</p>	Page 45	<p>1 and I tell them, "I'm here. I'm an American."</p> <p>2 Q. And what else? Do you remember telling them</p> <p>3 anything else?</p> <p>4 A. No. They didn't ask anything.</p> <p>5 Q. Okay. Did you ever go -- did you ever use the</p> <p>6 internet and go online and do anything with the U.S.</p> <p>7 embassy?</p> <p>8 A. No.</p> <p>9 Q. Why not?</p> <p>10 A. I don't like Internet. I like now Internet.</p> <p>11 Okay. When I didn't make good money and I didn't have a</p> <p>12 secretary, I don't use the Internet. Later I had the</p> <p>13 secretary, she would use the internet. I don't like</p> <p>14 telephones and Internet. So I would tell the secretary:</p> <p>15 Do this, do that. But I would not tell her: Register</p> <p>16 me at the American Embassy. So I would register myself.</p> <p>17 Q. And I'm just trying -- but you don't</p> <p>18 actually remember any type of -- do you remember filling</p> <p>19 out forms?</p> <p>20 MR. KATZ: Objection; asked and answered.</p> <p>21 BY MR. LINDER:</p> <p>22 Q. Okay. Do you remember filling out any type of</p> <p>23 forms, or do you actually remember what you actually</p> <p>24 did?</p> <p>25 MR. KATZ: Objection; asked and answered.</p>
<p>1 A. Yes.</p> <p>2 Q. And do you remember what you registered for?</p> <p>3 A. I just --</p> <p>4 MR. KATZ: Objection; form of the question.</p> <p>5 THE WITNESS: Pardon me?</p> <p>6 MR. KATZ: You can answer, if you know.</p> <p>7 THE WITNESS: As an American citizen living</p> <p>8 abroad.</p> <p>9 BY MR. LINDER:</p> <p>10 Q. Okay. Do you remember any kind of certain</p> <p>11 program that you would have registered in?</p> <p>12 A. Nothing. No program. And, actually, they</p> <p>13 didn't invite me for the Fourth of July, which I am very</p> <p>14 pissed about.</p> <p>15 Q. Okay. So when you went -- so when you</p> <p>16 registered, what actually -- do you remember actually</p> <p>17 what you did? Do you remember filling out any forms?</p> <p>18 What did you do?</p> <p>19 MR. KATZ: Objection; asked and answered.</p> <p>20 If you remember, tell him.</p> <p>21 THE WITNESS: I don't remember. I remember</p> <p>22 going there, because I hate talking on phones --</p> <p>23 BY MR. LINDER:</p> <p>24 Q. Okay.</p> <p>25 A. -- so, for sure I didn't do that. I went there</p>	Page 46	<p>1 If you remember, answer.</p> <p>2 THE WITNESS: I assume that I told them -- for</p> <p>3 sure I went there.</p> <p>4 BY MR. LINDER:</p> <p>5 Q. Okay.</p> <p>6 A. That's a given. Then I told them and they wrote</p> <p>7 it down or they asked me to fill an address, the new</p> <p>8 address. I don't know. But I was registered with them.</p> <p>9 Q. Okay. And to shortcut it, you don't remember</p> <p>10 any kind of specific form you filled out?</p> <p>11 MR. KATZ: Objection; asked and answered.</p> <p>12 THE WITNESS: No.</p> <p>13 BY MR. LINDER:</p> <p>14 Q. Okay.</p> <p>15 A. What --</p> <p>16 Q. Do you remember -- when you went to the embassy,</p> <p>17 did you actually talk to anybody at the embassy?</p> <p>18 MR. KATZ: Objection; asked and answered.</p> <p>19 THE WITNESS: Usually you talk to actually a</p> <p>20 Romanian employed by the embassy which actually speaks</p> <p>21 English, but as soon as he -- he or she see that you</p> <p>22 also speak Romanian, they spoke in Romanian -- they</p> <p>23 speak in Romanian.</p> <p>24 BY MR. LINDER:</p> <p>25 Q. Okay. And when you went to the embassy, did you</p>

1 ask anyone at the embassy about your obligations as a
 2 United States citizen while you were living in Romania?
 3 MR. KATZ: Objection; asked and answered.
 4 THE WITNESS: Why should I?
 5 BY MR. LINDER:
 6 Q. Okay. So the answer to that is you didn't ask
 7 anybody about that?
 8 A. No.
 9 Q. Okay. And did you ever ask anybody at the U.S.
 10 embassy if you had to file tax returns or anything about
 11 your United States tax obligations while you were living
 12 in Romania?
 13 A. No.
 14 MR. KATZ: Objection; asked and answered.
 15 BY MR. LINDER:
 16 Q. Why not?
 17 A. Why should I?
 18 Q. Okay. When you say "Why should I," you don't
 19 think you had a responsibility to ask questions
 20 regarding your living as a U.S. citizen --
 21 MR. KATZ: Objection --
 22 BY MR. LINDER:
 23 Q. -- in Romania?
 24 MR. KATZ: -- form of the question,
 25 argumentative.

1 You may answer, if you know. Page 50
 2 THE WITNESS: I have an answer, but you're not
 3 gonna like it.
 4 MR. LINDER: Let's hear your answer.
 5 MR. KATZ: Just try to answer the question
 6 that's asked.
 7 THE WITNESS: Let's say I am a very important
 8 IRS people and I want to do some good for this country,
 9 what I will do? I will call the embassy. I will go to
 10 the Department of State and say: How many people have
 11 you registered in Romania? We have, let's quote, a
 12 thousand. Then I will call my IRS people: How many
 13 returns do we have from Romania? A hundred.
 14 Then I will say to the Department of State:
 15 Would you -- your embassy that has a thousand addresses,
 16 we have only a hundred returns. Do you want us, the
 17 IRS, to pay you Department of State so you can send a
 18 letter to the thousand people that you already have
 19 registered, to a thousand Americans living in there and
 20 tell them, hey, guys, come to the embassy. We need to
 21 tell you something. Or even simply -- very simple, hey,
 22 check out, you have to pay your taxes, even if you live
 23 6,000 miles from America.
 24 BY MR. LINDER:
 25 Q. Okay.

1 A. That would be a fair question for me to ask the
 2 government?
 3 Q. Okay.
 4 A. They didn't do that.
 5 Q. All right. My question is: When you went to
 6 the embassy, you didn't ask anybody about federal income
 7 taxes, did you?
 8 A. No.
 9 MR. KATZ: Asked and answered. Objection.
 10 BY MR. LINDER:
 11 Q. And when you went to the embassy, you didn't ask
 12 anybody about any kind of obligation you had regarding
 13 bank accounts and opening any bank accounts in foreign
 14 countries, did you?
 15 MR. KATZ: Asked and answered.
 16 You can answer, if you know the answer.
 17 THE WITNESS: No. And I didn't feel like it.
 18 And I still don't feel like it.
 19 BY MR. LINDER:
 20 Q. Okay. And when you were living in the United
 21 States, did you ever receive a letter from the IRS
 22 telling you that you had to file tax returns?
 23 A. When I was living here?
 24 Q. Uh-huh.
 25 A. I received -- from IRS, no. I received the

1 forms, the W-2 and -- Page 52
 2 Q. Okay. But you didn't actually receive a letter
 3 from the IRS saying you had to file a tax return while
 4 you lived here, did you?
 5 MR. KATZ: Objection. You're asking about
 6 things that are so many years old.
 7 Is that right?
 8 MR. LINDER: That's not a proper objection,
 9 Mr. Katz.
 10 MR. KATZ: I think it is.
 11 MR. LINDER: You can object to the form of the
 12 question, you can object to --
 13 MR. KATZ: I'm objecting to the form of the
 14 question.
 15 MR. LINDER: Fine.
 16 MR. KATZ: If you remember --
 17 MR. LINDER: That is -- don't instruct the
 18 witness on how to answer, Mr. Katz.
 19 MR. KATZ: I'm not instructing the witness how
 20 to answer the question. I'm telling him to answer the
 21 question.
 22 BY MR. LINDER:
 23 Q. My question is: Did you ever receive a letter
 24 from the IRS while you were living in the United States
 25 telling you that you had to file tax returns?

<p>1 capitalists. Communists, what's in the bank you don't 2 move, they shoot you. Capitalists, everybody wants to 3 do business: What do you need, when you open a 4 business.</p> <p>5 A safe, a strong safe, a safe -- a safe, a -- 6 how do you call that? Stone box. A safe.</p> <p>7 MR. KATZ: Safe deposit box?</p> <p>8 THE WITNESS: Safe. Safe, safe, safe. Safe.</p> <p>9 BY MR. LINDER:</p> <p>10 Q. Got it.</p> <p>11 A. So they didn't have that. Communists didn't 12 need that. So they don't have factories, so they didn't 13 have that. So I pick it up. So I called my 14 son-in-law --</p> <p>15 All the time I --</p> <p>16 MR. KATZ: Brother-in-law.</p> <p>17 THE WITNESS: -- brother-in-law, and I said: 18 Find me some very cheap. But, yeah, they not 19 gonna -- they don't look good, you know? Doesn't 20 matter. Cheap.</p> <p>21 So he found -- he paid here. Later I gave him 22 the money. So we got the container of strong boxes -- I 23 don't know -- was like this big (indicating.) Safe way, 24 safe -- I don't remember the name. And we sold one 25 container in one week.</p>	<p>Page 65</p> <p>1 A. Yeah.</p> <p>2 Q. -- in the United States.</p> <p>3 A. Right.</p> <p>4 Q. And then you had them shipped to Romania.</p> <p>5 A. Right.</p> <p>6 Q. Okay. And did you have to go get, like, any 7 type of an import or export license from --</p> <p>8 A. Romania?</p> <p>9 Q. -- Romania?</p> <p>10 A. At that moment I was with the idea and the money 11 that they will do it. I think at the beginning the 12 Romanian were not up to it. Later probably they asked 13 for license or something, but I was not doing -- I was 14 doing the business -- I mean, the idea, and this, not 15 the paperwork.</p> <p>16 Q. Okay. So other than the container, what other 17 kind of -- what timeframe, the containers?</p> <p>18 A. This took -- we did this for a year. Then they 19 -- other people started to bring from closer to -- they 20 started to bring from Turkey for this. You can drive 21 from Turkey. It's one day drive. And Turkey used to 22 have safe, and they bought good safe. Not what I was 23 selling. I think they was (inaudible.)</p> <p>24 Q. Did your business have a name, or is this 25 something you did just personally?</p>
<p>1 BY MR. LINDER:</p> <p>2 Q. And when you talk about a container, describe to 3 me what you mean by "a container." Like a shipping 4 container?</p> <p>5 A. A shipping container. Romania has a port. It's 6 in the Black Sea. But you've been in the Navy; you 7 should know. I am joking.</p> <p>8 So, basically, you pass the Atlantic. You're 9 going through the Mediterranean Sea. At the end of the 10 Mediterranean Sea, you go through both -- four straits 11 and you go to the Black Sea, which is the last body of 12 water. And over there, we have a port.</p> <p>13 So a container ship will come to Black -- but on 14 the Black Sea, it's also the Ukraines and the Russians, 15 so there are a lot of shipping from them, so a container 16 will come to deliver to them and deliver something to 17 all of port.</p> <p>18 Q. So you had this container --</p> <p>19 A. The container will come to the port. The 20 trucking company -- and then it's, like, more or less 21 like here: The trucking company will pick it up, bring 22 it to a business. You have -- you have to unload right 23 away.</p> <p>24 Q. So you bought these safes -- you had your 25 brother-in-law -- or you bought these safes --</p>	<p>Page 66</p> <p>1 A. No, it was under -- I think the first company 2 that I opened in Romania, it was Bittner & Sons, just to 3 make it sound ancient, like it was tradition. Bullshit.</p> <p>4 Q. And what was the name of it?</p> <p>5 A. Bittner & Sons.</p> <p>6 Q. Bittner & Sons.</p> <p>7 A. Yeah. And I only have one daughter.</p> <p>8 Q. And so you had the container, and then what 9 other kind of stuff were you looking at -- did you do?</p> <p>10 What other kind of investments?</p> <p>11 A. Just -- those were not investments. Those are 12 like one of the first --</p> <p>13 Q. Okay.</p> <p>14 A. -- just make some money. Money in, money out, 15 very fast.</p> <p>16 Investment, we started -- I started to buy real 17 estate. I knew real estate. I knew how to fix houses.</p> <p>18 I could see -- even here, it's from God. I don't -- I 19 can see a line if it's horizontal or vertical to an 20 eighth of an inch just by looking at it. So I know how 21 to build, so I went into property buying.</p> <p>22 A lot of people -- a lot of people very old --</p> <p>23 okay. Communism was started in Romania in 1955, when 24 the -- Russia and United States, they drew the line, 25 Romania became under the influence of Russia.</p>

<p>1 Q. Right.</p> <p>2 A. So, basically -- and, actually, during the</p> <p>3 Second World War the Russians pass Romania on the way to</p> <p>4 go to Germany, so we were under Russian tax.</p> <p>5 So in 1955 they won the elections.</p> <p>6 Democratically run elections, the communists won</p> <p>7 97 percent or something. Bullshit. But that's the</p> <p>8 history. And they put this and this tax, so everything</p> <p>9 that they started. So they issue a decree by the</p> <p>10 communist party that all the property will be</p> <p>11 confiscated from the people that sucked the blood of the</p> <p>12 working people -- working class, and the no good people,</p> <p>13 they have to be hanged and so on.</p> <p>14 In that decree, even they were in total power,</p> <p>15 they made a mistake -- they made some mistakes because</p> <p>16 they were stupid. They always are stupid. They said:</p> <p>17 Let's -- we're not gonna confiscate the properties of</p> <p>18 former army people because the army before 1947 was the</p> <p>19 army of the king. Romania was a kingdom.</p> <p>20 And they fought -- at the beginning, we fight</p> <p>21 against the Russian. But later, in '43, we turned</p> <p>22 against the Germans, and together with the Russian,</p> <p>23 we -- but they didn't -- we were conquered by the</p> <p>24 Russians.</p> <p>25 So they said that we're not gonna confiscate</p>	Page 69	<p>1 it was a business with both parties happy. So he had</p> <p>2 money to live the last years of his life happy, and I</p> <p>3 got the building.</p> <p>4 Q. How did you find these people?</p> <p>5 A. Remember, all -- everybody from high school,</p> <p>6 everybody from the army, everybody from university, all</p> <p>7 these hundreds of people that I know were still there.</p> <p>8 They didn't go to America.</p> <p>9 Q. Okay.</p> <p>10 A. And then -- so like this, we covered the whole</p> <p>11 real estate. And then -- so, like this, I bought a</p> <p>12 house here, a property there, a piece of land there with</p> <p>13 the old people.</p> <p>14 And then I found this lawyer, which was</p> <p>15 handicapped, no legs actually, and I started to work</p> <p>16 with him. And I saw him, they cut this -- he had some</p> <p>17 degenerative, some disease. They cut his left hand and</p> <p>18 they started to -- nightmare.</p> <p>19 But he was very -- a genius. And he came to me</p> <p>20 and said: Alex -- we did a couple of transactions,</p> <p>21 buying houses from the poor people. He says: Alex, you</p> <p>22 know that the communist party is a dic- something. Oh,</p> <p>23 I said very bad things. But he say: No, no, no. They</p> <p>24 did bad because they are (speaks in foreign language.)</p> <p>25 (Speaks in foreign language) means idiot in Romanian.</p>	Page 71
<p>1 this. We're not gonna confiscate for liberal</p> <p>2 professional, like lawyers and doctors and this. We're</p> <p>3 not -- we're gonna confiscate for the big capital, the</p> <p>4 such and such, very bad words, suck the blood of the</p> <p>5 people.</p> <p>6 And they -- this was their law, the communist</p> <p>7 law. And they didn't apply it right. So when I started</p> <p>8 to buy houses, I just was buying houses from people that</p> <p>9 were still alive in 1993, '94, '95. Which they were</p> <p>10 millionaires in '90- -- 1950 and now they were living</p> <p>11 in -- on the street. Okay? At the end of their life.</p> <p>12 So if -- even at that moment, probably the</p> <p>13 property would -- was worth -- I don't know how much.</p> <p>14 Nobody knew because nobody know what in Romania gonna</p> <p>15 happen in 1993. Are we gonna go up capitalists or</p> <p>16 Russia gonna come back again (inaudible)?</p> <p>17 But these old people -- and I was having cash</p> <p>18 from selling safes. Then I sold some kind of whiskey</p> <p>19 from Hungary. Hungary is our neighbor. So we bring by</p> <p>20 truckload. And, so, all kinds of stuff.</p> <p>21 So these people, they wanted to sell. Romania</p> <p>22 didn't have money. The kind of money we're talking</p> <p>23 about for the building, \$3,000. But for them, the guys</p> <p>24 that was living on the street, maybe another five years</p> <p>25 to live, was a bonanza, and for me it was a bonanza. So</p>	Page 70	<p>1 Idiot. Also we have the word "idiot". They are idiots.</p> <p>2 They always have.</p> <p>3 They did not apply their own law the right way.</p> <p>4 I said -- they said: Look, I have a client. She's the</p> <p>5 widow of a general, a former army general. She has all</p> <p>6 these properties. The 1955 decree by the communists</p> <p>7 says that her husband will accept, not confiscate, and</p> <p>8 they -- but they still confiscated.</p> <p>9 So I said: Okay, what do we do? Let's sue the</p> <p>10 government. Okay, come on. I sued -- I'm suing. I</p> <p>11 need money to eat, do this, my family -- his father was</p> <p>12 taking care of her. We need help to stay here, I'm</p> <p>13 suing. I said: Okay. How do we -- I signed the lady.</p> <p>14 It was our first case. So he signed the wife, I signed</p> <p>15 with him.</p> <p>16 Hey, we do this together. But he went from --</p> <p>17 he signed with the lady, the wife of the former general,</p> <p>18 that he gonna pay her so much per month. I think we</p> <p>19 were giving -- I was giving to him 500 per month for her</p> <p>20 to be happy.</p> <p>21 We're not gonna ask the money back if we lose,</p> <p>22 and if we win we take 80 percent -- no -- 20 percent of</p> <p>23 the property and she takes 80 and we have the first</p> <p>24 right to buy the 80. Something like that.</p> <p>25 Q. Okay.</p>	Page 72

1 A. Sounds more complicated than it is. But it was
 2 done by him. He was very smart. And we won. After
 3 three years, we won. We were the first -- he was the
 4 first case we won -- we won against the government.
 5 Q. And do you remember what year that was?
 6 A. '94, '95. Something like that.
 7 Q. And so, when you're talking about -- earlier,
 8 before you got into that, you were talking about the
 9 mistakes that the communist party made regarding the
 10 property of former army members and lawyers and doctors.
 11 Who -- did you discover that mistake, or was that this
 12 attorney?
 13 A. This guy. This guy.
 14 Q. Okay.
 15 A. And, actually, at the beginning, the first case,
 16 he was for it, because he said: Hey, man, let's sue the
 17 government. Yeah, screw them. We sue them. Okay,
 18 good, yeah.
 19 And after that, after we -- even in Romania it
 20 doesn't work like here, the precedent. I mean, you can
 21 go with a case to the supreme court, same case, same
 22 one -- one time the supreme court will say yes and the
 23 same case -- same type of case next time can say no.
 24 It's not like here. One time and then it's a precedent
 25 now.

1 But after that we took -- he took dozens of
 2 cases. Actually, he started to hire other lawyers. He
 3 was -- I was talking to him. He was in charge of these
 4 other lawyers, and we had like -- like a factory of
 5 lawsuits.
 6 And, basically, then we set up at 25 percent we
 7 will get for our trouble. If we lose, we don't get
 8 anything, but they don't need to pay us anything. If we
 9 win, we win 25 percent of the property and the right
 10 of -- to be offered the other 75 percent, which actually
 11 when we were getting closer, knowing that we gonna win,
 12 we will make an offer and say: We know we're gonna win.
 13 It's gonna take another six years -- six months, eight
 14 months, a year. Would you sell it? We'll buy it now;
 15 we pay you so much. Yeah. Okay.
 16 That's big -- that's the big money. That's big
 17 money into this real estate.
 18 Q. And into this real estate, whose money are you
 19 putting into this?
 20 A. My money.
 21 Q. Yours?
 22 A. Yeah.
 23 Q. Are you the only person putting the money in?
 24 A. What do you mean?
 25 Q. So you're talking about investing. Are you the

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 1 only investor, the only one putting money into this --
 2 the buyer of these properties, of these lawsuits?
 3 A. Yes.
 4 Q. Okay. And so how are you determining -- you
 5 were going to buy back properties. How were you
 6 determining the price that you're gonna buy back the
 7 properties at?
 8 A. Smell. I kind of smell it. Or you have to know
 9 the city, and you have to be -- being born there, you
 10 know there are some good districts, you know there are
 11 some bad districts, some districts when it rains, the
 12 water it's flooding the basement.
 13 It's like -- it's real estate like here. I
 14 cannot come here and start a real estate business
 15 without knowing the city.
 16 Q. All right. And what time frame was these
 17 lawsuits going on? What years, do you remember?
 18 A. We started -- we started big time I think '94,
 19 '95. And some of them we finished 2007, 2008, 2000 --
 20 some of them are -- were part of the years that I -- we
 21 had with the IRS. Some of the money was from cases that
 22 I started in '94, but it takes -- the government like
 23 here protects itself, or you go to -- in Romania it's
 24 called tribunal, then it's appeals court, then it's
 25 supreme court. And the government has to go on all

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 1 three of them. Even they know already they gonna lose
 2 because they lost the first one and the second one.
 3 But they -- and then once you get the second and
 4 the third one, it's one here and zero next year and zero
 5 next year.
 6 MR. LINDER: Off the record.
 7 (Discussion off the record.)
 8 BY MR. LINDER:
 9 Q. And so when you were doing this, were you just
 10 using your own cash? Were you going to get financing
 11 from the bank? How was this --
 12 A. I never took financing from the bank.
 13 Q. No bank loan.
 14 A. No bank loan.
 15 Q. And how are you keeping track of the money
 16 you're spending? First of all, did you keep track of
 17 the money you were spending and the properties you were
 18 purchasing in these lawsuits?
 19 A. I have to remind myself that this is something
 20 official. Otherwise -- I keep large -- large amounts.
 21 I am not the guy to do, oh, I came here with the card;
 22 how much did I spend for the gas? Five cents. Five
 23 cents. And this is related to what business? The
 24 business with -- so this five cents goes to that house.
 25 I don't do that.

1 this was like 400 feet of sand dune. Sweet water, salt
 2 water, sand. And over there they had some buildings
 3 from the communist time where the fishermen will sleep.
 4 And this guy bought a few buildings and made them a
 5 little bit nicer. The catch was that you had power, the
 6 communist pulled power I don't know how many tens of
 7 miles to get power to that place in the middle of
 8 nowhere, totally wild, and the beach south -- the beach
 9 to the Black Sea, 50 miles, nobody (inaudible) 50 miles
 10 nobody, in the middle of nowhere with electricity; very
 11 important.

12 So I see the potential, and I ask the guy: Why
 13 you don't make real? Why don't you make hotels? Why
 14 you don't make real business? He said: Oh, I don't
 15 have money. And within a year he sold it to me, and I
 16 started to make -- to make real for vacation.

17 But getting -- to get there, this was part of a
 18 huge communist enterprise that actually was not curious.
 19 The business was fishing, canning fish, smoking fish,
 20 cutting fish, making filets, making all kinds of fish
 21 pastes, whatever, also canning and fresh fish for the
 22 market. Catching from the wild or raising. Huge. I
 23 mean, one lake was two times 2.2 -- was 4,400 acres one
 24 basin, the biggest basin. One basin of fish, 4,400
 25 acres of water.

1 So I bought the company from the government for
 2 nothing, more or less, because nobody wanted it. It was
 3 a monster. It was a monster to guard the fish.

4 Q. Excuse me. You said to what?

5 A. Guard.

6 Q. To guard.

7 MR. KATZ: Guard.

8 BY MR. LINDER:

9 Q. Okay.

10 A. To protect because all the peoples, they
 11 think -- over there they think, I live in this village,
 12 this is in front of my village, the fish is mine. And,
 13 no, it is not yours; it's mine because I took the fish
 14 and I'm fishing here. No, no, it's mine because I live
 15 here. You know, these kind of people.

16 So any way, and then I invested a lot of money.
 17 And then I came to the stream of things that the
 18 communist think, yes, I need the canning factory, and I
 19 ended up possessing factory because one day you catch
 20 huge amounts. I mean, from the wild. What you process
 21 from the -- raising the fish, you can more or less
 22 manage, but in the wild you go and you catch a hundred
 23 metric pounds of fish. What do you do with that? You
 24 can sell -- okay, you sell 20 pounds. You cannot keep
 25 them. So you need the factory.

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1 So we made -- tried to -- everything on the
 2 presumption, which I won. The government issue an
 3 international tender for the fishing rights for that
 4 area, which is 80 percent of the Danube Delta. It was
 5 published internationally because it was a huge -- I
 6 mean, we're talking millions of acres. Okay? It was
 7 international and blah, blah, blah, and I won a big
 8 portion which was to my interest, where I had -- where I
 9 owned the land, I won the rights of the water.

10 But the intention -- so the intention was for
 11 people to come to start to invest. So the government
 12 said: Okay, we'll give you ten years. And then, if you
 13 do what you say in your plans that you're gonna do, we
 14 gonna give you sequential -- did I say it right?

15 MR. KATZ: Yes.

16 THE WITNESS: -- sequential, another ten years,
 17 meaning or even more, and again, if you keep your part
 18 of the deal to do investments and this and protection
 19 and this and everything.

20 BY MR. LINDER:

21 Q. So you had to -- you had to submit some kind of
 22 plans to the government?

23 A. Yes.

24 Q. More like an investment plan? An investment
 25 portfolio?

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1 A. Yes.
 2 Q. Would that be fair?
 3 A. Yes.
 4 Q. And you're doing that to, what, obtain the
 5 fishing rights?
 6 A. To obtain the fishing right. I had bought from
 7 the government -- before the auction of the fishing
 8 rights, I bought the land, the buildings, the old
 9 buildings that belonged to the old communist enterprise,
 10 the fishing company, blah, blah, blah and the company,
 11 so I had the land.

12 Q. All right. Let me stop you. So you bought the
 13 land.

14 A. Yes.

15 Q. And you bought that from the government.

16 A. Yes.

17 Q. Okay.

18 A. As an entity. As a business.

19 Q. As a business.

20 A. Right.

21 Q. So you -- make sure I got this right. So you
 22 formed a business?

23 A. No. I bought the business.

24 Q. You bought the business.

25 A. Yes.

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<p>1 Q. Okay. You bought the land. Did you buy the 2 land in your name? Did you start a company and have the 3 company buy land? How did you – that transaction on 4 the land, how did that work?</p> <p>5 A. The government in 1990 split the whole country 6 into business. Even before they were made in a 7 communist kind of way as a business, but in 1990 they 8 made it into a business the western style kind of way. 9 But they took this communist piece of glass and they 10 make papers for the same glass in the western style way. 11 And I bought this. I bought the company.</p> <p>12 Q. So you bought a company --</p> <p>13 A. Yes.</p> <p>14 Q. -- and when you -- so you bought a company. It 15 was like a canning --</p> <p>16 A. Not the canning. Yes. Theoretically, yes.</p> <p>17 Q. And what was the name of the company, do you 18 remember?</p> <p>19 A. They were Piscicola --</p> <p>20 Q. Okay.</p> <p>21 A. -- Jurilovca. That is one. Piscicola. 22 Piscicola means -- (Speaking Romanian) is fish in 23 Romanian. So Piscicola is -- has to do something with 24 the fish. Piscicola --</p> <p>25 MR. KATZ: P-I-S-C-I-C-O-L-A.</p>	Page 89	<p>1 A. Okay.</p> <p>2 Q. So you bought these from the government. Now, 3 did you buy them -- did you buy them you personally just 4 100 percent? Did you have investors? How did you buy 5 them from the government?</p> <p>6 A. When I say I buy them is for sure -- I made the 7 decision and for sure I put most of the money or part of 8 the money.</p> <p>9 Q. Okay.</p> <p>10 A. How we went about it, I don't have any idea.</p> <p>11 Q. You didn't -- so who would have negotiated with 12 the government for -- did someone --</p> <p>13 A. I would. I would.</p> <p>14 Q. So you negotiated with the government.</p> <p>15 A. Yeah. But the form -- I would negotiate. I 16 would do the main thing. If it was for many days, 17 somebody else will go. I don't have time. I cannot 18 take it. So someone else will go, and the form -- at 19 the end of the negotiation, the forms that I put my 20 name, at one moment, was in the '90s I would put my 21 name. Little by little, I started not to put my name 22 because my name will cost me money. I will explain 23 after this explanation.</p> <p>24 So somebody else will go. So if you ask me on 25 Jurilovca who bought it, I did. Who's on the paper? I</p>
<p>1 THE WITNESS: Piscicola is the general name --</p> <p>2 MR. LINDER: Okay.</p> <p>3 THE WITNESS: -- Jurilovca is one village. 4 Murghiol is another village.</p> <p>5 MR. KATZ: J-U-R-I-L-O-V-C-A. Murghiol is 6 M-U-R-G-H-I-O-L?</p> <p>7 THE WITNESS: Yes.</p> <p>8 MR. KATZ: All right.</p> <p>9 BY MR. LINDER:</p> <p>10 Q. And then what about Piscicola Tour? Is that 11 another company?</p> <p>12 A. Yeah, which I -- I made that one. I didn't buy 13 it from the government.</p> <p>14 Q. You made that company.</p> <p>15 A. Yeah. Tour means touring like in English. I 16 made that at the beginning to take care of 22 tourists, 17 you know, because remember that I started with the Delta 18 when I saw that beautiful piece of sand between the sea 19 and the sweet water.</p> <p>20 Q. So you got the Piscicola Jurilovca, and then 21 Murghiol, those are ones you bought from the government.</p> <p>22 A. Right.</p> <p>23 Q. Okay. Now --</p> <p>24 A. It will --</p> <p>25 Q. You got to let me go.</p>	Page 90	<p>1 don't remember.</p> <p>2 Q. Who put in the money to buy this?</p> <p>3 A. I would or I would be -- me and some other 4 people, but I will be in charge. It's either me 5 100 percent or me and other partners with me in charge.</p> <p>6 Q. And you were in charge.</p> <p>7 A. Yes.</p> <p>8 Q. And who would have drafted up all the paperwork 9 to buy these?</p> <p>10 A. Lawyers.</p> <p>11 Q. Lawyers.</p> <p>12 A. (Moving head up and down.)</p> <p>13 Q. Okay. And who would have selected the lawyers?</p> <p>14 A. My main lawyer.</p> <p>15 Q. Your who?</p> <p>16 A. My main lawyer.</p> <p>17 Q. Your main lawyer.</p> <p>18 A. (Moving head up and down.)</p> <p>19 Q. And who was your main lawyer?</p> <p>20 A. Different.</p> <p>21 Q. Okay. In regards to this transaction, buying 22 the Piscicola businesses from the government, who was 23 your main lawyer?</p> <p>24 A. Don't remember.</p> <p>25 Q. You don't remember. Okay.</p>

<p>1 Now, did you have, like, main lawyers for 2 different types of businesses? Did you have one main 3 lawyer for everything you did? I'm trying to figure out 4 how you operated.</p> <p>5 A. I had a main lawyer, like a lawyer friend.</p> <p>6 Q. Okay.</p> <p>7 A. At the – from '90 to '93, before my wife moved 8 to – moved 100 percent in Romania, it was a lady 9 lawyer, very nice.</p> <p>10 After that was a guy which was a former colonel 11 in the secret police or something, but he was a lawyer. 12 You see, the lawyer actually which was my friend, but he 13 was busy with buying properties, so eventually maybe I 14 ask him an idea, and he would say something, but he was 15 busy. I didn't have like a main lawyer from -- for 16 20 years.</p> <p>17 Once I (inaudible) considered good, he will be 18 my lawyer for two, three years. Then they will be the 19 first guys that I would go to and say: Look, I want to 20 do this and this and this and this. Not in Bucharest. 21 300 kilometers in Tecuci. Tecuci is -- it's a county 22 inside the state. I don't know. It's a part of 23 Romania. Do you know anybody? And why I want to do 24 this? Which actually you have to do with the government 25 which is in Bucharest but also some government which is</p>	<p>Page 93</p> <p>1 1990 to 2000, the lawyers are generals.</p> <p>2 Then even – but even then they split, family 3 lawyers, you know, divorce, divorce, divorce, divorce, 4 divorce. Family lawyers, they are -- for sure they are 5 split criminal lawyers and civil. I mean, business 6 lawyers, civil lawyers. But on civil lawyers it's not 7 like tax lawyer and merger and whatever and acquisition 8 and -- no. It's all together.</p> <p>9 Q. So when you're going to do this deal to buy the 10 company from the government, you went to the lawyers for 11 advice? What did you go to these lawyers to do?</p> <p>12 A. For advice and sit next to me when I negotiate.</p> <p>13 Q. And --</p> <p>14 A. Sit next to me if I -- maybe I -- over something 15 which is not -- I am not protecting enough or it is not 16 a good idea or something, they will say: This is not 17 right.</p> <p>18 Q. Okay. And I'm just -- the company you 19 purchased, the Piscicola companies from the government, 20 did you do that in cash? Did you wire transfer the 21 money? How did you get the government the money?</p> <p>22 A. Cash, wire transfer, whatever. They don't 23 like -- government don't like cash --</p> <p>24 Q. Okay.</p> <p>25 A. -- too much. They like wire transfer.</p>
<p>1 In Tecuci. It's very complicated this business in 2 Romania because they act so stupid.</p> <p>3 Any way, so he would say: Oh, I can do this 4 for -- whatever it is in Bucharest and over there, let 5 me think, and then he will give me a number. He, call 6 this guy, and he will come meet with you and you explain 7 what you want. Okay. So like this.</p> <p>8 Q. So I'm (inaudible.) So from like '90 to '93 you 9 had a lady friend, a friend who was a woman and she was 10 a lawyer. Do you remember her name?</p> <p>11 A. I can't remember.</p> <p>12 Q. Okay.</p> <p>13 A. I cannot.</p> <p>14 Q. And so from like '93 to a date in the '90s, you 15 had another friend, a man lawyer that was your main 16 lawyer?</p> <p>17 A. Yeah.</p> <p>18 Q. And who was that, do you remember?</p> <p>19 A. Last name Nicoli. I don't know -- I don't 20 remember first name.</p> <p>21 Q. So on these – when you're going -- what type of 22 lawyers are these?</p> <p>23 A. In Romania it's not like here. The lawyers 24 are -- at least at the beginnings. At the beginnings, 25 doing -- and I call it beginnings. The 10 years, from</p>	<p>Page 94</p> <p>1 Q. And do you remember what bank account you would 2 have paid for these companies out of?</p> <p>3 A. No.</p> <p>4 Q. You might have already told me. In what year 5 did you -- do you remember what year you purchased the 6 companies from the government?</p> <p>7 A. The fishing -- I've been purchasing companies on 8 all kinds of ideas all the time.</p> <p>9 Q. In regards to the fishing companies.</p> <p>10 A. The fishing company I started after -- I think 11 2000 and 2001, that's when I started. Maybe before. 12 Maybe 1990- -- I don't know.</p> <p>13 Q. And Piscicola Tour, when did you start that?</p> <p>14 A. The same, 2000.</p> <p>15 Q. And are any of those companies, the three 16 Piscicola companies we talked about, still operating?</p> <p>17 A. In Romania you have a step before bankruptcy. I 18 don't know how to describe it in English. It's you are 19 on lockdown. You are not on bankruptcy, so the judge is 20 not starting to sell, but you are on lockdown. Nobody 21 can come and -- actually, nobody works at the company; 22 the company is locked down. You cannot issue invoices, 23 you cannot receive money. Everything is locked, locked 24 down.</p> <p>25 Q. And --</p>

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<p>1 A. So they are in this kind of procedure.</p> <p>2 Q. And after you bought the company, the Piscicola</p> <p>3 companies, who kept track -- who ran the companies?</p> <p>4 A. The guy that I moved there. You have -- this --</p> <p>5 this Delta, this concept, the Danube River Delta, it's</p> <p>6 the Danube River that starts from Germany, goes</p> <p>7 throughout Europe and goes into the Black Sea in</p> <p>8 Romania, in Romanian territory.</p> <p>9 Before it goes into the Black Sea, forms this</p> <p>10 like gluey sand kind of stuff. So this -- and that is</p> <p>11 300 kilometers. It's 220 miles, 250 miles away from</p> <p>12 Bucharest. This is number 1. Number 2, the roads in</p> <p>13 Romania are total disaster, so don't think four hours</p> <p>14 drive. You think eight hours drive in -- on real</p> <p>15 condition. Because there are potholes and potholes and</p> <p>16 the cow, it goes in the road; it's a nightmare.</p> <p>17 Okay. So you have to have somebody that lives</p> <p>18 there. You cannot have somebody -- and you cannot do</p> <p>19 business on the phone with the fishermen. What, the</p> <p>20 fishermen didn't even go to school not four years. Not</p> <p>21 at all school.</p> <p>22 So we bought a house, and I found a guy that</p> <p>23 went with me to university, a colleague, Negrea,</p> <p>24 N-E-G-R-E-A, that -- he took the job.</p> <p>25 Q. So when you say he took the job, so you were the</p>	<p>1 any way --</p> <p>2 Q. Okay.</p> <p>3 A. So I was managing him by talking to him like</p> <p>4 that every other week, or when I was there or talk -- he</p> <p>5 would call me if something important was -- or something</p> <p>6 happened.</p> <p>7 Q. And then also when you were describing that with</p> <p>8 Mr. Gheorghe, you said you also may have hired the</p> <p>9 accountant. Is that -- so why would that be important</p> <p>10 for you to hire the accountant?</p> <p>11 A. I said not with him.</p> <p>12 Q. Okay.</p> <p>13 A. With him I didn't hire the accountant.</p> <p>14 Q. Okay.</p> <p>15 A. He found -- he found local because not --</p> <p>16 otherwise, you bring from Bucharest, for everybody you</p> <p>17 have to buy a house to -- for them to live in. So he</p> <p>18 found somebody local. I said in general.</p> <p>19 Q. In general.</p> <p>20 A. Yeah.</p> <p>21 Q. Okay. So, in general, during this time frame</p> <p>22 you were in Romania, you actually -- you hired</p> <p>23 accountants before?</p> <p>24 A. Not really.</p> <p>25 Q. Well, you told --</p>
<p>1 one that hired him. Would that be fair to say?</p> <p>2 A. Yeah.</p> <p>3 Q. Okay. And then -- so you would hire -- did you</p> <p>4 just hire him and hire all the men and the people or</p> <p>5 just him and let him run --</p> <p>6 A. I hired him and maybe, maybe, maybe, sometimes I</p> <p>7 want to see the accountant maybe.</p> <p>8 Q. Okay.</p> <p>9 A. But other than that --</p> <p>10 Q. Okay.</p> <p>11 A. -- his job.</p> <p>12 Q. Okay. And after you hired him, did you</p> <p>13 supervise him? How did you keep track of this</p> <p>14 individual?</p> <p>15 A. He was -- he was coming every weekend or every</p> <p>16 second weekend because his wife and two kids were in</p> <p>17 Bucharest. So he was coming to Bucharest every weekend</p> <p>18 or every two weekends or every three weekends, if that,</p> <p>19 and I was with him. I was not going there from</p> <p>20 September to March, because it's -- in the beginning and</p> <p>21 the end and it's rain and big month, and then it's</p> <p>22 winter. And if you catch a storm -- a winter storm when</p> <p>23 it's -- it's just -- how you call that? Field.</p> <p>24 300 miles of field, flat, not a tree, not a nothing. If</p> <p>25 you catch a storm there, that's it, you are done. So</p>	<p>1 A. I said that mostly. I mean, some -- I don't</p> <p>2 know, out of ten, maybe -- out of ten companies, maybe I</p> <p>3 had one or two.</p> <p>4 You hired the accountant because usually the</p> <p>5 accountant has the -- or you pay attention -- you don't</p> <p>6 hire. You pay attention to the accountant because</p> <p>7 usually the accountant is the person that has the money</p> <p>8 on the hand. He has the hands on the money. Either, if</p> <p>9 it's cash, he keeps it and has a certain piece of paper</p> <p>10 that he has, the government can come and say: Stop.</p> <p>11 What are you doing? How much cash do you have? And you</p> <p>12 have to have this paper.</p> <p>13 You are allowed to do cash business in Romania</p> <p>14 under the rule that they can come and say: Stop. Show</p> <p>15 me your cash. And if -- for that day. And if the cash</p> <p>16 doesn't match the paper, you are in trouble. But other</p> <p>17 than that, you can do cash business.</p> <p>18 Q. Okay.</p> <p>19 A. So this guy, you want to pay attention who you</p> <p>20 hire because he has the cash and also -- usually you</p> <p>21 don't have -- you can put somebody else, you can put the</p> <p>22 guy at the door, but usually you put him in charge with</p> <p>23 the bank. He talks to the bank and wires payments or</p> <p>24 receives payments or something like that.</p> <p>25 Q. So how would you keep track of the accountant?</p>

<p>1 A. What do you mean "keep track"?</p> <p>2 Q. Well, I mean, did you review his books? Did you</p> <p>3 review what he was doing? So how did you keep track --</p> <p>4 A. I keep track of the main guy, the guy that is my</p> <p>5 friend. Usually I always -- I always put friends or</p> <p>6 people that I know for long time or people that my good</p> <p>7 friends know for a long time. The guy that runs the</p> <p>8 business. Then it's his problem with the accountant,</p> <p>9 but sometimes I will ask him: Hey, who is your</p> <p>10 accountant? Where did you find him? Did you</p> <p>11 double-check on him? Did you do this? Did you do that?</p> <p>12 Q. And when you're doing that, when you're</p> <p>13 double-checking and doing this or doing that, what are</p> <p>14 you looking for?</p> <p>15 A. Hopefully that he was not fired from the last</p> <p>16 business because he was cash -- he had some cash</p> <p>17 missing.</p> <p>18 Q. And to be an accountant in Romania, do you have</p> <p>19 to have any kind of formal schooling? Do you know</p> <p>20 anything that they have to do?</p> <p>21 A. It's very -- we have a -- we have a university</p> <p>22 for accountant. We have a school for accountant. You</p> <p>23 go four years after -- after high school, you go to</p> <p>24 this -- it's called The Academy of Economic Studies</p> <p>25 where you can end up being an accountant with a diploma</p>	Page 101	Page 103
<p>1 four years after high school.</p> <p>2 But what was the question? I forgot the</p> <p>3 question.</p> <p>4 Q. I was just asking you in Romania how you become</p> <p>5 an accountant, and you said --</p> <p>6 A. Yeah. So you can have this type, but also you</p> <p>7 can have somebody that he's an accountant because he</p> <p>8 says he's an accountant and you trust him to be an</p> <p>9 accountant.</p> <p>10 Q. You don't have to be licensed?</p> <p>11 A. Not a special license to.</p> <p>12 Q. Any other companies that were associated with</p> <p>13 the fishing and the seafood products that were coming up</p> <p>14 from the rights that you had in the Danube?</p> <p>15 A. I think together there are over ten companies --</p> <p>16 Q. Okay.</p> <p>17 A. -- in and out of that concept.</p> <p>18 Q. Okay. And do you know what the name of those</p> <p>19 companies are?</p> <p>20 A. Oh, no. Not by heart. We can --</p> <p>21 Q. Tell me about a company -- are you familiar with</p> <p>22 a company called -- or investment called Global Re?</p> <p>23 A. Yeah. But this has nothing to do with Romania.</p> <p>24 Q. That has nothing to do with Romania.</p> <p>25 A. No.</p>	Page 102	Page 104

<p>1 Q. And you bought these apartments in the name of 2 what, Global --</p> <p>3 A. Just Global Re, yes.</p> <p>4 Q. And so did you buy that company, or is that a 5 company you started?</p> <p>6 A. No, no, no. The company was existing.</p> <p>7 Q. Was existing.</p> <p>8 A. Yes.</p> <p>9 Q. Okay. And so you bought four apartments through 10 the company?</p> <p>11 A. I bought four apartments. The company was 12 theoretically the owner. I give the management to a 13 local management company, and, of course, the story with 14 the Romanians are gonna rent my apartments didn't work 15 out. So I had regular (inaudible) sale people, whatever 16 they are, to rent the apartment. So I was running the 17 same thing that I know what to do is rent.</p> <p>18 Q. And was your investment or this -- through 19 Global Re, was that in your name or somebody else's?</p> <p>20 A. I think at that time I was sophisticated enough, 21 it was mine. It was mine. I declared it with the IRS. 22 But if my name was in that, no, probably somebody else's 23 name.</p> <p>24 Q. Who else's name do you think it would have been?</p> <p>25 A. When I started to extern- -- ex- -- when I</p>	<p>Page 105</p> <p>1 A. Correct.</p> <p>2 Q. And what were the two holding companies from 3 London? Do you remember their names?</p> <p>4 A. One is Mastertrade and one is I think Melwood & 5 Partners. Something like that.</p> <p>6 Q. The first one is Mastertrade?</p> <p>7 A. Master -- Mastertrade. Something like that.</p> <p>8 Q. And what was the one in Geneva?</p> <p>9 A. Cofigen, C-O-F-I-G-E-N, I think.</p> <p>10 Q. And how did you find those holding companies?</p> <p>11 A. My friend from Geneva -- I have three people 12 here that's gonna be mad with me.</p> <p>13 Once you find a lawyer, you can find all the 14 lawyers that you need. So my friend from Geneva 15 repre -- presented me to some guys that I talked with, 16 and I explained something, and the guy said: Ahh. I 17 said: Do I need to go to London? No, everything -- we 18 make everything here. But it's going to be three 19 different people? Yes. No problem. I said: Oh.</p> <p>20 So actually I don't even know where the office 21 is in London. I never met these people. Everything 22 come signed, and everybody told me: Trust this. Okay.</p> <p>23 Q. Who is your friend in Geneva?</p> <p>24 A. It's a Romanian national that -- seven years -- 25 so right now he's 70, and he left Romania when I was in</p>
<p>Page 106</p> <p>1 started to move my name totally out from all the 2 businesses, for outside companies, I choose three lawyer 3 companies -- I will explain later why I choose three -- 4 and all my businesses in Romania and the -- and I think 5 even this Global Re were owned by these three outside 6 companies. Two of them were from London.</p> <p>7 Basically they were lawyers' companies that for 8 a certain amount per year will hold your company. And 9 so were -- two from London and one from Geneva, 10 Switzerland.</p> <p>11 Q. And --</p> <p>12 A. Why I bought three, because even everybody and 13 my friend from Switzerland, which lived there forever, 14 from Romanian origin, he said: Hey, these people, they 15 don't do like this. Alex, you always think very bad 16 things. Said, yeah, but that's different.</p> <p>17 I was afraid they gonna run away to -- they 18 gonna get -- run away with whatever was on that name. 19 So I guess every -- you want to buy this from Jurilovca, 20 you buy in three. That's the name. Okay.</p> <p>21 Q. So you had -- wait, wait, wait. You had 22 something called a holding company. Is that --</p> <p>23 A. Three holding companies.</p> <p>24 Q. Three holding companies. And you had two from 25 London and one from Geneva, Switzerland.</p>	<p>Page 108</p> <p>1 high school.</p> <p>2 Q. Okay. And does he have a name?</p> <p>3 A. Cocimarov.</p> <p>4 Q. Probably gonna have to spell that for us.</p> <p>5 A. C --</p> <p>6 Q. Sorry.</p> <p>7 A. It's not even usual for Romania.</p> <p>8 C-O-C-I-M-A-R-O-V. Sounds like Russian type of name, 9 but he is not Russian.</p> <p>10 Q. And what did he do in Geneva? What was his -- 11 did he have a job there? Was he a lawyer? What was he?</p> <p>12 A. He worked for the United Nations. Some standard 13 electric, you know, wasting time, making money.</p> <p>14 Q. I mean, do you know what he did for the United 15 Nations?</p> <p>16 A. Big shot about how to make the planet beautiful.</p> <p>17 How to make standard -- electrical standards worldwide 18 or some -- some bad words like this.</p> <p>19 Q. I'm trying to figure out the --</p> <p>20 And so you went through your friend, which I 21 won't be able to pronounce it, and then he introduced 22 you to these people that ran these holding companies.</p> <p>23 A. Yeah. Geneva is like an asylum for old people.</p> <p>24 It's this big (indicating.)</p> <p>25 Q. Okay.</p>

1 A. At 6:00 p.m. there's nobody on the streets. I
 2 said: My, it's like I feel like in the hospital.
 3 Everybody knows everybody. So he said: What do you
 4 need? I need this, to do this, to do apartments, this.
 5 He said: Okay, tomorrow you go see this guy. Okay.
 6 Q. So when you talked to these people at the
 7 holding companies, what kind of questions were you
 8 asking of them?
 9 A. I asked him what's my problem as a Romanian
 10 citizen to own property in Brussels? Let's talk about
 11 this apartment. How much taxes? If I have to pay for
 12 taxes. If I don't have to pay taxes, which way legally
 13 I don't have to pay taxes? Is there a problem that I
 14 come with the London company? Is the London company a
 15 good company? Or maybe I should come with -- I don't
 16 know what I -- stuff that I don't -- regular. I mean,
 17 regular stuff.
 18 Q. Okay. What about banking? Did you ask him
 19 about anything banking requirements? Anything you
 20 needed to do?
 21 A. No. Because I don't think banking is -- I
 22 didn't think I have to ask him anything.
 23 Q. Why didn't you think you had to ask him anything
 24 about banking?
 25 A. Because what was to ask about -- like if you

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1 could travel to Dubai with the Romanian passport. I
 2 cannot travel with the American passport; they don't
 3 like it. So stuff like that.
 4 Going to Switzerland I will enter with the
 5 American passport because no questions asked. But going
 6 to Romania, of course, I enter with the Romanian
 7 passport. Going to -- I went to Russia and Moldavia, I
 8 went with the Romanian passport. Not with the --
 9 Q. Okay. And when you set up these holding
 10 companies, who would have drafted up the paperwork for
 11 these companies, do you know?
 12 MR. KATZ: Objection; mischaracterizes the
 13 evidence.
 14 THE WITNESS: I didn't even understand what we
 15 are talking about.
 16 BY MR. LINDER:
 17 Q. All right. So let's just -- so you went and you
 18 met with the three holding companies; is that --
 19 A. As I -- as I just said five minutes ago, I never
 20 met them. I met with the lawyer in Geneva, and I said,
 21 "I would like to have this." And he said, "Yes."
 22 Q. Okay.
 23 A. And I said, "Do I need to go to them?" No. So
 24 I --
 25 Q. And --

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1 have banks or what? I don't understand -- I really
 2 don't understand what you are asking.
 3 Q. Okay. Did you have banks at this time?
 4 A. In Romania?
 5 Q. In Romania, yeah.
 6 A. 2000, yes.
 7 Q. What about in -- did you have banks in
 8 Switzerland?
 9 A. I guess they invented the bank system.
 10 Q. Okay.
 11 A. Switzerland. Yes, I have bank.
 12 Q. Okay.
 13 A. I have banks.
 14 Q. And what bank at this time did you have in
 15 Switzerland in this 2007 time frame?
 16 A. It's Canadian something.
 17 Q. Okay. And when you traveled to Switzerland, did
 18 you travel with your U.S. passport, or did you travel
 19 with a Romanian passport?
 20 A. Everything at the border was -- at the border
 21 with Romania was -- yeah, depends.
 22 There are a lot of -- there are a lot of bad
 23 things having dual citizenship, and one of them we are
 24 participating right now. But there are good things.
 25 If I want, I could travel -- I never did, but I

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1 A. -- so I never met these people.
 2 Q. Okay. You met a lawyer.
 3 A. I met a lawyer.
 4 Q. A lawyer in Geneva.
 5 A. Right.
 6 Q. All right. And it was these holding companies,
 7 the two from London, one from Geneva, those are the ones
 8 that held your ownership in Global Re.
 9 A. Right.
 10 Q. Now, in regards to the documents for these
 11 holding companies, who would have drafted -- did someone
 12 draft those documents for you?
 13 A. From what I understood, those companies were
 14 already formed.
 15 Q. Okay.
 16 A. This -- whatever the lawyer in London, the
 17 lawyer holding company, which I never met, forms such a
 18 company because one of the companies, I think -- I don't
 19 know -- remember which one -- was like from
 20 1980-something, which I wasn't even in the states. So
 21 they formed the companies, and then they have a Bible,
 22 Bibliograph -- how you call them? Like where you keep
 23 the books. How is that called?
 24 But they formed this and they filed them there.
 25 And when somebody like me comes, they pick up and they

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1 Bank of America account?
 2 A. No jokes, right? Being very serious.
 3 MR. KATZ: No jokes.
 4 THE WITNESS: Okay, so no jokes.
 5 When we decided to come back here, I checked the
 6 markets, because my family was in California, and my
 7 wife's family, the mother and one of the brother and
 8 blah, blah, blah, was in California. But California was
 9 gone in 2011 from the business point of view, so we
 10 decided to come to Texas. So we came to Texas.
 11 But Sherry -- Sherry's mother was very sick.
 12 Actually she died the next year, 2012. And Sherry
 13 wanted to spend as much time with her mother as
 14 possible. So that's why she opened an account in Bank
 15 of America, California. And I did transfer her this
 16 money not to spend all of it, which actually she didn't,
 17 good for her, but I knew that is not good to keep too
 18 much money because the federal insurance which is
 19 250,000 or something. So I was trying to split as much
 20 money into as many accounts.
 21 BY MR. LINDER:
 22 Q. So when you talk about federal insurance, I want
 23 to make sure I'm understanding. What do you mean by the
 24 federal insurance?
 25 A. You see at every bank when you stand in line,

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1 you see this bank it's FF -- federal something. At one
 2 point I -- FSLC Insured. You see at every bank right
 3 there next to the cashier. So I asked, "What's
 4 insured?" And they said that the federal government
 5 guarantees \$250,000 per account.
 6 Q. Okay. And you were aware of this in 2000 --
 7 A. I was aware of this since I make the first
 8 250,000.
 9 Q. When you say you make the first 250,000, when
 10 was that?
 11 A. No more jokes, okay. We're never gonna finish.
 12 I was aware of this in general. I don't know
 13 when I was aware. The first I think I made in 1994,
 14 '95, somewhere like that --
 15 Q. Okay.
 16 A. -- in Romania, and they stayed in Romania.
 17 Q. Okay. But you're talking about the federal
 18 insurance, right? Insurance at federal banks; is that
 19 correct?
 20 A. Everything -- all this started is why I send
 21 money to my wife, which basically, theoretically I
 22 should not answer. All the husbands will understand why
 23 I send money to my wife.
 24 But I give you the answer, because she was in
 25 California, and second, because I'm trying to not to

1 keep all the money in one account. At least two or
 2 three or whatever.
 3 Q. And can you go to page -- this is DOJ 1714.
 4 A. 1714.
 5 Q. Uh-huh.
 6 A. Okay.
 7 Q. And I'm looking now there's an entry on here of
 8 January 26, 2010. It's a payment -- looks like it's a
 9 transfer to Christine Bittner. Do you see that?
 10 A. There are many transactions.
 11 Q. Okay. This is the one that's in the amount of
 12 \$100,000.
 13 A. Yeah.
 14 Q. Okay. Do you see that?
 15 A. Yeah.
 16 Q. What are you transferring \$100,000 to your
 17 daughter for?
 18 A. In order for her to set up a party for me.
 19 Q. Set up a what for you?
 20 A. A party.
 21 Q. A --
 22 MR. KATZ: Party.
 23 THE WITNESS: A party.
 24 BY MR. LINDER:
 25 Q. A party?

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1 A. A party.
 2 Q. What kind of a party?
 3 A. Her wedding party.
 4 Q. So this is for her wedding party?
 5 A. Yes.
 6 Q. And when did your -- when did your daughter get
 7 married?
 8 A. In 2000 -- I don't remember.
 9 Q. Do you remember the date when she got married?
 10 A. No.
 11 Q. Did you travel to the United States for her
 12 wedding?
 13 A. Of course.
 14 Q. Did you consider this a gift to your daughter?
 15 MR. KATZ: Objection.
 16 THE WITNESS: I was waiting for that.
 17 MR. KATZ: You can answer.
 18 BY MR. LINDER:
 19 Q. Yeah, you can answer.
 20 A. It's a gift for myself.
 21 Q. For yourself. But it's not going to you.
 22 You're not giving yourself --
 23 A. I'm enjoying it.
 24 Q. Okay. You mean you transferred it to your
 25 daughter; is that correct?

<p>1 wife. Look what she did here. It looks like, yes.</p> <p>2 Q. I mean, did you have a credit card?</p> <p>3 A. In Romania?</p> <p>4 Q. Yeah, when you were living in Romania.</p> <p>5 A. No. I hated those.</p> <p>6 Q. Okay. Who had a credit card?</p> <p>7 A. My wife.</p> <p>8 Q. Okay. Anybody else have a credit card on this account?</p> <p>10 A. From my account, no. I hope not. Maybe my wife was -- shit.</p> <p>12 Q. And did you ever view -- obviously, did you ever view these credit card statements?</p> <p>14 A. No.</p> <p>15 Q. But this is your -- how would you transfer cash in and out of this account? Do you know?</p> <p>17 A. If the credit card is issued from this bank and she's using it at Neiman Marcus, Nordstrom, look at all of this, I don't know, it's the VISA, whatever, and they take it from the account. Cash, if it's -- the bank in Bucharest, I go or I send somebody and say: Give me cash.</p> <p>23 It's a bank. It's not a bank on the internet only. It's a bank with a building, with tellers and --</p> <p>25 Q. Okay. So this is a bank --</p>	<p>Page 161</p> <p>1 the answer. I can give all the answer. I just don't know off -- I don't have the answer at this point or moment. 24.</p> <p>4 Q. I'll hand you what's marked as Government Exhibit 24. Do you recognize this bank or these bank statements?</p> <p>7 A. Yes.</p> <p>8 Q. And this is a bank that's located where?</p> <p>9 A. Liechtenstein.</p> <p>10 Q. Okay.</p> <p>11 THE REPORTER: I'm sorry, I didn't get that answer.</p> <p>13 THE WITNESS: Don't ask me to spell it.</p> <p>14 Liechtenstein. Yeah, just take the last five letters out. That's the spelling, Liechtenstein.</p> <p>16 BY MR. LINDER:</p> <p>17 Q. This is a bank that's located -- Government Exhibit 24 is bank statements for a bank that's located in Liechtenstein?</p> <p>20 A. Yes.</p> <p>21 Q. And did you open this account?</p> <p>22 A. Yes.</p> <p>23 Q. Why did you open an account in Liechtenstein?</p> <p>24 A. I guess I opened this account for when I was doing what I -- when I was doing the four apartments.</p>
<p>1 A. It's a real bank. Actually, it's a big German bank.</p> <p>3 Q. All right. But it's located in Romania?</p> <p>4 A. Only -- I mean, the main business is in Germany and the rest of European Union, but they did open in 2006 one of -- probably one of the first that came to --</p> <p>7 no. Any way, they open a -- how you call it --</p> <p>8 MS. RUBENSTEIN: A branch.</p> <p>9 THE WITNESS: -- a branch.</p> <p>10 BY MR. LINDER:</p> <p>11 Q. And this is your account?</p> <p>12 A. This? What I have? Exhibit 23?</p> <p>13 Q. Uh-huh.</p> <p>14 A. Yes.</p> <p>15 Q. Okay. We'll mark this as 23.</p> <p>16 In regards to Government Exhibit 23, do you know when you would have opened that account?</p> <p>18 A. No idea.</p> <p>19 MR. LINDER: Okay. I'll hand you what's marked as Government Exhibit 23 -- or 24.</p> <p>21 (Exhibit 24 was marked.)</p> <p>22 THE WITNESS: I want to make -- I want to make a statement. All the answers that I say I have knowledge, idea on something, anything that you want at a later date I can either give you the paperwork or I give you</p>	<p>Page 162</p> <p>1 Q. The four apartments?</p> <p>2 A. The four apartments. No -- what's this? Okay.</p> <p>3 Q. Do you know -- again, my question was: Do you know what the purpose of this account was?</p> <p>5 A. The general purpose would be not to have one account and not to have one country and not to have one bank. That's the general purpose. On this one, I think it's connected; Liechtenstein being next door to Brussels. I think it was connected with that.</p> <p>10 Q. All right. And this is your account?</p> <p>11 A. This is my account.</p> <p>12 Q. And one thing -- do you know what a numbered account is?</p> <p>14 A. Yes.</p> <p>15 Q. What is a numbered account?</p> <p>16 A. A numbered account is an account where when a journalist from Romania tried to find Bittner will not be able to find Bittner.</p> <p>19 Q. And why don't you -- so that's -- give me that again. So you opened up a numbered account for what reason?</p> <p>22 A. To hide my name.</p> <p>23 Q. Okay. And a numbered account is an account that is just recognized by a number, not associated with a person's name?</p>

<p>1 A. Right.</p> <p>2 Q. And why would you do that?</p> <p>3 A. To hide my name.</p> <p>4 Q. And did anyone recommend opening up numbered accounts?</p> <p>5 A. I thought about it.</p> <p>6 Q. And how did you learn about numbered accounts?</p> <p>7 A. My friend in -- my friend in Geneva told me.</p> <p>8 Q. And I mean, how did he tell you? Did you go to him and say: I want an account that no one can find?</p> <p>9 How did that subject come up of a numbered account?</p> <p>10 A. No. I had this problem when the press started to jump on me. Bittner -- you have to understand that 11 Romania, even when it was under the kingdom of Romania, 12 they were -- they didn't do what Hungary did, which was 13 total destruction, but they were not very Jewish 14 friendly. So they did send a lot of Jews to Warsaw.</p> <p>15 Not all of them.</p> <p>16 Q. Okay.</p> <p>17 A. But my name is very unusual in Romania.</p> <p>18 Q. All right.</p> <p>19 A. B-I-T-T-E-R sounds more like a German name, 20 but for sure it's not a Romanian name.</p> <p>21 So when the press -- the bigger you get into 22 business, the more the press is on top of you to -- for</p>	<p>Page 165</p> <p>1 A. Yes.</p> <p>2 Q. What is that?</p> <p>3 A. I don't want the mail service in Romania, which 4 is corrupt, and the mail carrier, which brings the mail 5 to my house, to know that I do business with a bank in 6 Switzerland or in Liechtenstein.</p> <p>7 Q. And did you travel to Liechtenstein to open this 8 account?</p> <p>9 A. I guess so.</p> <p>10 Q. Okay. How did you find this particular bank in 11 Liechtenstein?</p> <p>11 A. Probably by the people -- this bank I opened 12 after I opened the bank in Switzerland. So probably I 13 asked the bank in Switzerland to -- to give me advice on 14 a good bank in -- somewhere else.</p> <p>15 MR. KATZ: Could I ask --</p> <p>16 MS. RUBENSTEIN: Can we go off the record for a 17 second?</p> <p>18 MR. LINDER: Sure.</p> <p>19 MR. KATZ: Could I ask a question?</p> <p>20 MR. LINDER: A question? Yeah, when I'm done.</p> <p>21 MS. RUBENSTEIN: On the record or off?</p> <p>22 MR. KATZ: I think it will be helpful.</p> <p>23 MR. LINDER: Sure, go ahead.</p> <p>24 MR. KATZ: Is this bank account we're looking at</p>
<p>Page 166</p> <p>1 them to do some business, to write something. They need 2 to write some bullshit in their newspapers.</p> <p>3 So I was -- I felt like I'm hunting -- hunted.</p> <p>4 That was number one. On that I don't really care too 5 much. But then I started to feel and see that let's say 6 I wanted to buy this property: Who wanted to buy the 7 property? Bittner. Oh, double the price. Okay, who 8 wanted to buy the property? This such and such company.</p> <p>9 In Romania -- here is the break. In Romania you 10 can find out who's behind the company in three hours on 11 the internet, which is not the case in the United 12 States. So who wants to buy the property? Now we go 13 back. Who wants to buy? Such and such company.</p> <p>14 Anybody could find out, oh, this is Bittner's company, 15 the price, three times the price. So I started not to 16 like it. So I decided, okay, I'm out from my companies, 17 I am out from my banks, I am out in general. I am out. 18 I don't exist any more.</p> <p>19 Q. So did you open this account?</p> <p>20 A. Yes.</p> <p>21 Q. And so you chose to have a numbered account; is 22 that right?</p> <p>23 A. Yes.</p> <p>24 Q. Okay. What about -- what is -- when you retain 25 correspondence, do you know what that is?</p>	<p>Page 168</p> <p>1 in Liechtenstein -- is that a numbered account, or is 2 that in your name?</p> <p>3 THE WITNESS: I don't know. It says 4 Mr. Alexandru Bittner, but maybe they say like this when 5 they write to me. I don't know. I don't know what 6 numbered account is supposed to --</p> <p>7 MR. KATZ: Okay.</p> <p>8 BY MR. LINDER:</p> <p>9 Q. Okay. Turn over --</p> <p>10 A. It has 3.14159182.</p> <p>11 Q. What is that number you just gave me?</p> <p>12 A. It's Pi number.</p> <p>13 Q. Okay. Turn over to page DOJ 1866.</p> <p>14 A. Pardon me? Page 1- --</p> <p>15 Q. -866.</p> <p>16 A. The number that I gave you before was a joke 17 that we made yesterday night because they -- we talk 18 about being --</p> <p>19 Q. That's all right.</p> <p>20 A. -- going to school. And I said: I am go to --</p> <p>21 I am an engineer. You went to school? Yes. Okay, so 22 give me the Pi number. She said, 3.148. I said: No, 23 no. This is an infinite number. Give me the rest of 24 the number. She didn't know. Then it was the -- about 25 going to school means to know what you went to school</p>

1 for. Not anything else. Okay.

2 Q. All right.

3 A. 1866.

4 Q. Yep.

5 A. I am here.

6 Q. All right. I'm looking down at the entry it's

7 27.06. You see where it has fee for numbered accounts?

8 A. Yes.

9 Q. Do you see that?

10 And do you have more than one account in this

11 Liechtenstein bank?

12 A. No.

13 Q. No? Because you're being charged a fee for

14 having a numbered account, aren't you?

15 A. I don't think so.

16 Q. Well, is that what that entry says?

17 A. I never understood what the bank -- and

18 especially this bank.

19 Q. When did you get these documents, this

20 Government Exhibit 24? When did you get those?

21 A. When IRS asked me for them. At that moment I

22 went back to this bank, and I said: Please, please,

23 please give me whatever documents. Other than that, I

24 never wanted to see those documents.

25 Q. Did you go to the bank at that time and ask for

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1 history, you don't like -- at least I didn't feel secure

2 to keep all the money in Romania -- or in Romanian bank.

3 Q. Okay. And did you open this account in your

4 name, or did you open this as a numbered account?

5 A. This is a numbered account, if I remember, but

6 on my name. Yeah, it says numbered account. Oh, and

7 this is, again, one that has U.S. dollars and euros.

8 Q. Okay. And this account -- this one is the bank

9 statement, Government Exhibit 25, this is an account --

10 this is in euros? Or which account is this?

11 A. USD. It's on the corner left up on top. The

12 account number, a bunch of numbers, dash, USD.

13 Q. So this is USD. This is dollars.

14 A. Right.

15 Q. All right. And --

16 A. Type of account: Ordinaire.

17 Q. And this account you're transferring -- I'm just

18 looking down at the first account. You have -- there's

19 an account entry of April 21, '04.

20 A. Yeah.

21 Q. And you're transferring, if I understand it

22 right, \$2,400,034.00?

23 A. No, I'm receiving.

24 Q. You're receiving.

25 A. Yes.

1 the account opening documents for the bank?

2 A. I asked whatever they can give to me, to give to

3 me.

4 MR. LINDER: All right. Marked as Government's

5 Exhibit 25.

6 (Exhibit 25 was marked.)

7 MS. RUBENSTEIN: Thank you.

8 BY MR. LINDER:

9 Q. Okay.

10 A. Okay.

11 Q. Do you recognize these documents?

12 A. Yes.

13 Q. This is a document for what?

14 A. This is Royal Bank of Canada, is the bank in

15 Geneve.

16 Q. Okay.

17 A. The first of the main banks that I opened

18 outside of Romania.

19 Q. And do you remember when you opened this bank?

20 A. '99, 2000. Somewhere in there.

21 Q. Okay. And why did you open the bank -- why did

22 you open this bank in Switzerland?

23 A. I think I answered that two or three hours ago.

24 Because Romania not being -- doing the whole history,

25 but even like that, not being very -- with a very stable

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1 Q. Okay.

2 A. Or I am -- I am -- no, I am paying, yeah.

3 Q. Okay. And who are you paying that money to?

4 A. Itshak Rasin.

5 Q. And who is that?

6 A. From Israel, Romanian origin, doesn't speak very

7 well Romanian because he's the son of the initial

8 family. Hugely rich family in Israel. Millionaires,

9 billionaires, whatever. And we did -- I did buy his

10 share in two hotels in Bucharest and his participation.

11 Q. So I just want to understand. So your

12 testimony: This is to buy an interest in two hotels

13 in Bucharest?

14 A. And the company that owns two hotels.

15 Q. And do you remember what company it was?

16 A. No. I don't remember the name. I know the

17 hotels.

18 Q. But --

19 A. Venetia. No, Venetia was my company. I don't

20 know.

21 Q. Okay.

22 A. Like before -- like I said before, any -- this

23 or any paper, I can prove it.

24 Q. So in 2000- -- but in 2004, the money you're

25 transferring to him, this two million --

<p>1 Q. And I'll --</p> <p>2 A. Wait a minute. 3243. 33- or something --</p> <p>3 Q. At the bottom right-hand corner, there's Bates</p> <p>4 markings --</p> <p>5 A. 4233.</p> <p>6 Q. It should be -- so I want you to go to page</p> <p>7 4234.</p> <p>8 A. Okay.</p> <p>9 Q. Okay? And I'll represent for the record that I</p> <p>10 took that page and blew it up so you could read it,</p> <p>11 which is the next -- and I want you to go to the next</p> <p>12 page.</p> <p>13 A. Oh, this? Oh, this is this. Okay.</p> <p>14 Q. Yes.</p> <p>15 A. Okay, I got it.</p> <p>16 Q. For the record, I enlarged that page --</p> <p>17 A. Okay.</p> <p>18 Q. -- so we can read it.</p> <p>19 A. Yes.</p> <p>20 Q. And I just have a couple -- some questions here.</p> <p>21 We have -- there's a -- we have a transfer to a Mr. Emil</p> <p>22 Cobar. Is that your brother-in-law?</p> <p>23 A. Yes.</p> <p>24 Q. Why are you transferring 400,030- -- it looks</p> <p>25 like -32 dollars to him?</p>	Page 177	<p>1 Q. Okay. Well, at least if we agree that sometime</p> <p>2 in April, the first entry is you're transferring</p> <p>3 \$400,032.00 to Mr. Emil Cobar, your brother-in-law. Do</p> <p>4 you agree with that?</p> <p>5 A. Yes.</p> <p>6 Q. And you don't know why you're transferring</p> <p>7 \$400,000.00 to him.</p> <p>8 A. No.</p> <p>9 Q. Okay. Then let's go down -- maybe we can clear</p> <p>10 this up. And then we have a date, and it has 5 -- I</p> <p>11 want to say it's either 18 or 16.</p> <p>12 MS. RUBENSTEIN: Let me check.</p> <p>13 MR. LINDER: Or 18. It's hard to tell.</p> <p>14 BY MR. LINDER:</p> <p>15 Q. And we have another transfer, and it has a value</p> <p>16 date of 5/20. And you have another transfer of</p> <p>17 \$400,033 --</p> <p>18 A. What do you mean 5/20?</p> <p>19 Oh, 5/20. 20/5, okay.</p> <p>20 Q. Do you see that?</p> <p>21 A. Yeah.</p> <p>22 Q. And you have another transfer of \$400,033.00 to</p> <p>23 your brother-in-law, Emil Cobar.</p> <p>24 A. Right.</p> <p>25 Q. What is that for?</p>	Page 179
<p>1 A. I don't know.</p> <p>2 Q. You don't know what that's for?</p> <p>3 A. No. But like I said, I will give you the</p> <p>4 answer.</p> <p>5 Q. Okay.</p> <p>6 A. I need to double-check.</p> <p>7 Q. You don't know why you'd be transferring</p> <p>8 \$400,000.00 to him on that date in 2010.</p> <p>9 A. No.</p> <p>10 Q. Okay. Wow, this is hard to read. Excuse me.</p> <p>11 And I want to look down to -- there's another</p> <p>12 entry on -- it's 5/19/2010. And it's another transfer</p> <p>13 to Emil Cobar. Do you see that in the amount of</p> <p>14 400,033.00?</p> <p>15 A. Where? First of all, this is -- this is off --</p> <p>16 wait a second. Value is not the date.</p> <p>17 Q. Okay.</p> <p>18 A. Right above the date is the value. So this is</p> <p>19 moved.</p> <p>20 Q. All right.</p> <p>21 A. On the original it's also -- do you see what I</p> <p>22 mean? Where is the date? That -- above on the table is</p> <p>23 value, which is not right.</p> <p>24 Q. Okay.</p> <p>25 A. Debit, credit back --</p>	Page 178	<p>1 A. I don't know.</p> <p>2 Q. So you transferred -- in about a month or two</p> <p>3 you transferred \$800,000.00 to your brother-in-law from</p> <p>4 your RBC account?</p> <p>5 A. Yeah. And in a very strange number, 400,032.00</p> <p>6 and 400,033.00.</p> <p>7 Q. Okay. And you transferred approximately -- at</p> <p>8 least \$800,000.00 to your brother-in-law in 2010, and</p> <p>9 you don't know why?</p> <p>10 A. Yes, I don't know why.</p> <p>11 Q. Okay.</p> <p>12 A. I don't remember. I know why, but probably I</p> <p>13 need to remember.</p> <p>14 Q. Well, when you say you know why, what is the</p> <p>15 reason why?</p> <p>16 A. I don't know. I don't know.</p> <p>17 Q. Okay. I just --</p> <p>18 A. Do we keep --</p> <p>19 MR. KATZ: Yes.</p> <p>20 THE WITNESS: Do we get to keep --</p> <p>21 MR. KATZ: I got one.</p> <p>22 THE WITNESS: Okay, I need this page.</p> <p>23 BY MR. LINDER:</p> <p>24 Q. Let's talk about -- you moved back from Romania</p> <p>25 when? When did you officially move back from Romania?</p>	Page 180

<p>1 MR. KATZ: Object to the form of the question.</p> <p>2 MR. LINDER: All right.</p> <p>3 BY MR. LINDER:</p> <p>4 Q. Mr. Bittner, did you move back from Romania to</p> <p>5 the United States?</p> <p>6 MR. KATZ: Objection; asked and answered.</p> <p>7 THE WITNESS: I do answer, right?</p> <p>8 MR. KATZ: Yes.</p> <p>9 MS. RUBENSTEIN: Go ahead, you can answer.</p> <p>10 THE WITNESS: During 2011 I went and come back</p> <p>11 and went and come back. 2012 I went and come back.</p> <p>12 November 2012 I came, and I didn't go back to Romania.</p> <p>13 So that's -- that should be the move to state.</p> <p>14 MR. KATZ: What year?</p> <p>15 THE WITNESS: '11.</p> <p>16 MR. KATZ: '11.</p> <p>17 THE WITNESS: Yeah. Yeah, I make a mistake.</p> <p>18 '11. '11.</p> <p>19 BY MR. LINDER:</p> <p>20 Q. Just to make sure, so you moved -- your</p> <p>21 testimony is that you moved back permanently to the</p> <p>22 United States from Romania in November of 2011?</p> <p>23 A. Yes. And I have the furni- -- I have the</p> <p>24 invoice from the furniture being moved from Romania to</p> <p>25 here.</p>	Page 181	<p>1 A. High school. She went from Kindergarten -- we</p> <p>2 were talking about Kindergarten, which is the age that</p> <p>3 we came to Romania. She went to a Kindergarten school</p> <p>4 over -- so by the United States Embassy and then went</p> <p>5 school one to eighth to a school in Bucharest overseen</p> <p>6 by embassy, by American Embassy, and then she did</p> <p>7 internet, whatever she does, and she got accepted at</p> <p>8 La Rosey, it's called, next to -- what's the name in</p> <p>9 Switzerland?</p> <p>10 MS. RUBENSTEIN: Geneve.</p> <p>11 THE WITNESS: Geneve. Next to Geneve, a very</p> <p>12 exclusive high school --</p> <p>13 BY MR. LINDER:</p> <p>14 Q. Okay.</p> <p>15 A. -- for girls. Actually, they have the girls</p> <p>16 here, and very far away they have for boys.</p> <p>17 Q. So --</p> <p>18 A. And then -- and then from there I visit --</p> <p>19 that's some explanation for the accounts being there and</p> <p>20 whatever. And then she applied and she got admitted to</p> <p>21 John Hopkins in Baltimore where she met the husband that</p> <p>22 she has today. And somewhere, after the wedding, of</p> <p>23 course, she told me that she decided that -- they</p> <p>24 decided that she will never come back to live in</p> <p>25 Romania. I said: You have so much. We have this and</p>
<p>1 Q. Okay. And why did you move back?</p> <p>2 A. So, I did tell you we only have one kid. The</p> <p>3 kid was -- it's a very good kid, very professional.</p> <p>4 I -- so I push her to be very good in school and very</p> <p>5 good in everything she does. Actually, one of the ideas</p> <p>6 that I had this account in Switzerland because my</p> <p>7 daughter did high school in Switzerland, next to</p> <p>8 Geneve -- in Geneve, on the outskirts of Geneve.</p> <p>9 Any way, under the same idea that my friend,</p> <p>10 this guy that live in Geneve, will oversee what she does</p> <p>11 over there. And from my account he will pay for dentist</p> <p>12 or whatever was necessary for my daughter.</p> <p>13 Q. Okay. So originally when we were talking you</p> <p>14 said you sent your daughter to a school that was</p> <p>15 supervised by the US Embassy --</p> <p>16 A. You asked me why I decided to move back here.</p> <p>17 Q. Okay. You got to let me finish.</p> <p>18 A. Sorry, sorry, sorry.</p> <p>19 Q. No, it's all right. I'm not -- I'm just trying</p> <p>20 to recap so I understand.</p> <p>21 So earlier in your testimony you said your</p> <p>22 daughter went to a school that was supervised by the US</p> <p>23 Embassy in Romania, correct? And I just want to</p> <p>24 understand: So your daughter also went to a school</p> <p>25 in -- a high school in Switzerland?</p>	Page 182	<p>1 we have that, blah, blah, blah. No, dad, it's not --</p> <p>2 Romania is not for me. We're gonna stay in the states.</p> <p>3 Okay. I said, Okay.</p> <p>4 And then comes the very famous saying: If the</p> <p>5 mountain will not come to Mohammed, Mohammed will go to</p> <p>6 the mountain. So I came to the mountain.</p> <p>7 Q. So you moved back from Romania in November of</p> <p>8 2011.</p> <p>9 A. I did.</p> <p>10 Q. And when you moved back -- describe to me some</p> <p>11 of the first things you did when you came back to the</p> <p>12 states.</p> <p>13 A. I did a lot of things before I came back to the</p> <p>14 states.</p> <p>15 Q. Okay. Can you walk me through some of those?</p> <p>16 A. I did on internet -- I started, because like I</p> <p>17 said before, what I know is real estate, building,</p> <p>18 managing, selling, whatever.</p> <p>19 So first of all, I checked California. At the</p> <p>20 moment you have to understand that my daughter was in</p> <p>21 Baltimore where she finished John Hopkins, and then the</p> <p>22 first job was somewhere around there, Washington or</p> <p>23 something.</p> <p>24 So first I checked California. Well, my sister</p> <p>25 and my wife's family was there. And California was dead</p>

1 according to doing business investments or anything.
 2 Then I found something in Chicago interesting,
 3 but then I found out that the district that I was
 4 looking at, where the rent was very good, but you go
 5 with the car to pick up the rent and you come outside
 6 walking, without the car, and -- it's a joke, but it's
 7 true. It's true.
 8 And then I found out that Texas is the new mega.
 9 Is the new -- I double-check a lot. I learn a lot about
 10 Texas. Then I came here in 2011 for the first time I
 11 stepped foot in Texas.
 12 Q. Okay.
 13 A. Even when I was living in California, I never
 14 visited Texas.
 15 Q. All right. And you learned all this real estate
 16 and you learned about Texas and the real estate here
 17 how? How did you do that?
 18 A. Not taxes. I didn't say taxes.
 19 Q. I said "Texas."
 20 A. Texas.
 21 Q. Right.
 22 A. Texas. Good. Looking -- looking for
 23 investments --
 24 MR. LINDER: Sorry. Off the record.
 25 (Off the record.)

1 MR. LINDER: Let's go back on the record and let
 2 me get the question straight.
 3 BY MR. LINDER:
 4 Q. So, you were talking about studying on the
 5 internet, and you said you were doing some research on
 6 real estate. Would --
 7 A. Right.
 8 Q. -- that a fair statement of what you told me?
 9 A. Yes.
 10 Q. Okay. My question is: What did you do -- what
 11 were you looking at to study about real estate and in
 12 particular these different states, California, Chicago,
 13 Texas? What were you looking at?
 14 A. First of all, being -- having my own plumbing
 15 company--I had it for the last year or something when I
 16 was in California--and doing work as a plumber, I know
 17 to stay away from apartments really because there is a
 18 lot of trouble with them.
 19 So I was looking for single family residential,
 20 single family investing. So I was looking how much you
 21 pay for the property, how beautiful the property is
 22 because beauty, even if it's -- cannot count it as
 23 money, it's a part of the buyer or the seller's mind.
 24 What's the future of California. What is the future of
 25 Texas. What are the -- how many people per square mile.

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 1 All kinds of things that you find on the internet free.
 2 But very important was how much you pay for the
 3 property, how big is the property, how many bedrooms,
 4 how many bathrooms. How much they ask, how many -- how
 5 many cars for the garage and so on. What is the market
 6 and how much can you get for it. And what's the return
 7 on the investment.
 8 Q. Okay.
 9 A. And on that, Texas won. So that's why I came to
 10 Texas.
 11 Q. And when did you start doing that research?
 12 A. Right after -- I don't know exactly exactly, but
 13 I presume right after I was notified that nobody will
 14 come back to visit me in Romania, so I had to move to
 15 the states.
 16 Q. So 2010, 2000 --
 17 A. 2010, right -- right after the wedding. After
 18 the wedding. Not right after.
 19 Q. And so when you were doing this real estate --
 20 so when you came here, you purchased some properties in
 21 2011, didn't you?
 22 A. Yes.
 23 Q. Okay. And did purchase any properties through
 24 HUD? Do you know what HUD is?
 25 A. I know what HUD is.

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 1 Q. Okay.
 2 A. But it -- I considered at the time, and I'm
 3 still considering, that it's too complicated, too
 4 bureaucratic. Too bureaucratic. Maybe I should check
 5 it again.
 6 Q. But did you buy some properties through HUD?
 7 A. I don't think so.
 8 Q. You don't think so?
 9 A. Any way, I didn't deal with any bureaucracy. If
 10 somebody, a private person sold me a house which was
 11 from HUD, I don't -- I don't know and I don't care.
 12 MR. LINDER: Okay. Marked as Government
 13 Exhibit 28.
 14 (Exhibit 28 was marked.)
 15 BY MR. LINDER:
 16 Q. Do you recognize this document?
 17 A. Yes. I know the property.
 18 Q. Okay. And is this a property you purchased?
 19 A. Yes.
 20 Q. And, just for the record, looking at the last
 21 page of this Document, 2916, is that your signature?
 22 A. Yes.
 23 Q. And how did you find -- and you bought this
 24 property?
 25 A. Yes.

<p>1 properties?</p> <p>2 A. Why do you say "accounts"? Account. I opened a</p> <p>3 bank account for me and my wife.</p> <p>4 Q. Okay.</p> <p>5 A. She opened another one because California, even</p> <p>6 if it's the same bank, it's different in California.</p> <p>7 That's it.</p> <p>8 Q. So you opened up one account at Bank of America.</p> <p>9 A. Right.</p> <p>10 Q. Okay. And then you came here and you started</p> <p>11 looking for properties; is that right?</p> <p>12 A. Right.</p> <p>13 Q. Okay. And then at one point you hired</p> <p>14 Mr. Beckley, is that correct, the accountant?</p> <p>15 A. During 2011 when I was -- I opened the accounts,</p> <p>16 I did this and I was buying all these houses, I don't</p> <p>17 know from where, but somehow during the real estate</p> <p>18 transaction which is with the agent, you have to talk</p> <p>19 this, that, and it's especially the -- how do you call</p> <p>20 that? The company that is closing, the --</p> <p>21 Q. The title.</p> <p>22 A. The title company which usually they have</p> <p>23 lawyers in their -- in the closing or something, somehow</p> <p>24 a discussion started about taxes. I don't know how.</p> <p>25 And I told them that I live -- or how I make the money,</p>	Page 197	<p>1 So I said, "Okay, that means he knows what he's doing,"</p> <p>2 which was not the case.</p> <p>3 Q. Let's back up. So you -- in that long answer</p> <p>4 you had, you said you looked at a document signed by the</p> <p>5 president. What do you mean by that?</p> <p>6 A. The treaty signed by Mr. Nixon --</p> <p>7 Q. Okay.</p> <p>8 A. -- the treaty with Romania.</p> <p>9 Q. The treaty with Romania. And when did you look</p> <p>10 at the treaty with Romania?</p> <p>11 A. Before -- when I -- after I knew that I had to</p> <p>12 have to come to -- that my daughter will not come to</p> <p>13 Romania, after 2010 when she said, "I'm not coming to</p> <p>14 Romania." And me and my wife decided: Okay, we have to</p> <p>15 move to United States. I said, "Okay, let me check."</p> <p>16 And I saw that document that to my reading it's</p> <p>17 perfect, I don't need to pay taxes.</p> <p>18 Q. Okay. So --</p> <p>19 A. And if you want, I can explain the logic, and</p> <p>20 you will find my logic is a hundred percent true, and</p> <p>21 it's the grammar of the English language which you guys</p> <p>22 use it a different way, but not what I was taught in</p> <p>23 school.</p> <p>24 Q. So sometime in 2010 when you were contemplating</p> <p>25 moving back because your daughter wouldn't come to</p>
<p>1 where I was coming from, my time in Europe, I live there</p> <p>2 20 years, something like this, and then we came to</p> <p>3 taxes, and I said, "Oh, I didn't pay taxes because I</p> <p>4 live in Europe." And they look at me funny. I didn't</p> <p>5 understand at that moment why. And they say, "Are you</p> <p>6 sure that you don't have to pay taxes to them?" "Very</p> <p>7 sure. I have -- we have a document signed by the</p> <p>8 president. Oh, gee."</p> <p>9 And then I got worried, and I started to ask,</p> <p>10 and I ask left and right, and I discovered like almost</p> <p>11 to the end of 2011 that it looks like I have to pay</p> <p>12 taxes --</p> <p>13 Q. So --</p> <p>14 A. -- or do something.</p> <p>15 Q. All right.</p> <p>16 A. And then it's -- when Beckley came this, Beckley</p> <p>17 came, as you can see his address, he's very close to</p> <p>18 where I used -- I live. He had this on internet, that</p> <p>19 he knows my kind of problems living abroad, making money</p> <p>20 abroad and coming this, and he was a neighbor, and he</p> <p>21 was all this, belonged to our association of whatever</p> <p>22 and this and that and that and that.</p> <p>23 Q. All right.</p> <p>24 A. And he was a neighbor, he was close, so I hired</p> <p>25 him. And I went and I looked, and he had nice offices.</p>	Page 198	<p>1 Europe -- come to Romania --</p> <p>2 A. Right.</p> <p>3 Q. -- you looked up the treaty between the United</p> <p>4 States and Romania.</p> <p>5 A. Right.</p> <p>6 Q. And you looked up the tax treaty.</p> <p>7 A. Right.</p> <p>8 Q. And how did you find that tax treaty?</p> <p>9 A. I don't know.</p> <p>10 Q. I mean, did you --</p> <p>11 A. Right now you can type it and you find it. It's</p> <p>12 on the -- who gave it to me, I don't know.</p> <p>13 Q. Did you ask -- I'm going to try to figure it</p> <p>14 out.</p> <p>15 Did you look for it on the internet?</p> <p>16 A. As I said, if I was looking on internet, it</p> <p>17 wasn't me. It was my secretary.</p> <p>18 Q. Okay.</p> <p>19 A. I don't know how I put the hand on it.</p> <p>20 Q. All right.</p> <p>21 A. And I always don't like to get on the computer.</p> <p>22 So if I find something, I tell my secretary print it and</p> <p>23 let me read it on paper.</p> <p>24 Q. So what prompted you to consider looking at the</p> <p>25 tax treaty between Romania and the United States?</p>

Page 201	Page 203
1 A. I don't know. Going back -- living in Romania 2 and going back to United States. 3 Q. Okay. How did you find out that there was a tax 4 treaty between the United States and Romania? 5 A. I don't know. I don't know. Somebody probably 6 told me or something. 7 Q. So -- 8 A. In Romania when I said: Hey, guys, you know 9 what, I'm leaving, I have 200 friends. Most of them 10 very rich. I said: Hey, I have to move back to the 11 states, blah, blah, blah. Hey, let's drink, let's go. 12 But somewhere somehow somebody said: Hey, watch 13 out, or watch the treaty and you know you have the 14 treaty, and -- I don't know how. 15 Q. But when you moved to -- when moved from the 16 United States to Romania, you didn't check or inquire 17 about any tax treaties at that time? 18 A. No. I paid taxes in Romania. 19 Q. Okay. But you paid taxes -- your testimony is 20 that you paid taxes -- 21 A. And I paid taxes in the states for the business 22 that I do -- I did in the states. 23 Q. Okay. But my question is: When you moved to 24 Romania from the United States, you didn't check any 25 taxes -- you didn't think it was important to check for	1 three, he was close by. Not -- 2 Q. And he was advertising. Where did you see his 3 advertisements? 4 A. On the net. 5 Q. On the internet. 6 A. Yes, sir. 7 MR. LINDER: Okay. And then I have some 8 documents. Let me verify what you gave. This is 30. 9 (Exhibit 30 was marked.) 10 BY MR. LINDER: 11 Q. I'll hand you what's marked as Government 12 Exhibit 30. 13 A. Yes. 14 Q. Do you recognize this document? 15 A. Yes. 16 Q. What is this? 17 A. When I went to Mr. Beckley, then we talk about 18 having to file or not file or having to pay or not pay 19 and we talked about the treaty. And I explained to him 20 my English grammar, about the difference between "may" 21 and "should not." "Should not" is stronger than "may" 22 in my view. 23 Then he started to ask me different questions. 24 I told him, "Hey, all my paperwork, I didn't bring any 25 paperwork for what I did in my life. It's in Romania,
1 any tax treaties between the United States and Romania 2 at that time? 3 MR. KATZ: Object to the form of the question. 4 You can answer, if you can answer. 5 THE WITNESS: Oh. No. 6 BY MR. LINDER: 7 Q. Why not? 8 A. I don't know. Probably is I didn't -- I didn't 9 make any money at the time. 10 Q. So before you met with Mr. Beckley, you had 11 actually looked at the tax treaty between the United 12 States and Romania; is that right? 13 A. Right. 14 Q. Okay. And then you found Mr. Beckley and -- 15 MR. LINDER: Can we take a break? 16 MS. RUBENSTEIN: Yes. 17 (Pause in proceedings.) 18 MR. LINDER: We can go back on the record. 19 BY MR. LINDER: 20 Q. So I just want to get back to Mr. Beckley. 21 So you found Mr. Beckley how? 22 A. Once again, on internet. 23 Q. On the internet. Okay. 24 A. And because he was advertising what I needed. 25 He was in a way selling what I needed. And number	Page 202 1 so tell me exactly what you need so we can file and be 2 done with it." 3 And, actually, and I was -- in a way, I have to 4 say this, to be fair, I was pressing him to do it fast. 5 In my head I had -- I think I started losing in end of 6 December or January 2012. In my head was that we 7 have -- I have to file before April 15th, to be done 8 filing so IRS -- I will file first before IRS will catch 9 me and put me in jail because I didn't file. 10 So I was pushing him, "Hey, let's file, let's 11 file," pushing him to move and give me more attention 12 than to other clients. That's why I didn't negotiate 13 with him. Whatever money he said, I paid. 14 Q. All right. I just want to clarify: Is this 15 your handwriting? 16 A. On top of it, yes. 17 Q. And this handwriting, this is what, your -- 18 A. So basically he asked me questions. I send 19 the -- I talk on -- on Skype. Over the computer, I 20 talked to Romania on Skype. I tell them: I need this, 21 I need this, I need this, I need this. And they -- so I 22 need the bank -- whatever you see here. 23 And they made all this from different -- this is 24 where they gathered the paperwork as they send me this, 25 and I gave it to Beckley, and Beckley said, "Hey, I

1 A. Strungaru is an -- he's an accountant. Actually
 2 finished academy of economic studies. But he came --
 3 and, actually, he's a -- he was with me in high school,
 4 so we know each other from high school. But he came to
 5 my company in I think 2006, '07. He was not with my
 6 company -- my companies from the very beginning. He
 7 came later. But I -- and I put him upfront because he
 8 speaks very good English.

9 Q. Okay.

10 A. So later when we had to -- when we prepared all
 11 these mountains of documents that nobody look at them,
 12 the accountant from here -- from this city, was asking
 13 me something, and I said, "Listen, guys, it doesn't
 14 work. How about Mr. Strungaru and I arrange a three-way
 15 meeting when we can see each other on the computer
 16 there?" I don't know how. They met each other, and
 17 after that I was informed they were talking.

18 Q. Okay.

19 A. So they talked to each other.

20 Q. Okay. Now, you said Mr. Strungaru started
 21 working for you in 2006 and 2007.

22 A. Right.

23 Q. And he started working for you in what capacity?

24 A. One of the persons that I trust in the main
 25 building.

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1 Q. Okay.

2 A. Overseeing not any particular company.
 3 Overseeing account -- overseeing the accountants,
 4 looking here, looking there. I don't know.

5 Q. He would oversee the accountants?

6 A. He would double-check on the accountants.

7 Q. Okay. And do you know if he was trained in
 8 Romanian tax law?

9 A. We don't have such a -- such a job denomination,
 10 tax law, Romanian tax law.

11 Q. Okay. My question was: Do you know if he was
 12 trained in that -- to your knowledge, does Mr. Strungaru
 13 have any understanding of Romanian tax law?

14 A. All the accountants in Romania have to know the
 15 Romanian tax law.

16 Q. Okay.

17 A. And none of the accountants in Romania know the
 18 Romanian taxes -- the tax law.

19 Q. Okay. And did you ask Mr. Strungaru when he was
 20 working for you about any kind of U.S. tax law, the U.S.
 21 tax obligations?

22 A. No.

23 Q. Why not?

24 A. Why should I?

25 Q. Okay. You didn't think it was important?

1 A. He's a Romanian.

2 Q. Okay. What about when you were living in
 3 Romania, did you ask any -- did you go seek any kind of
 4 tax professionals or help there regarding what may your
 5 tax obligations be in the United States when you were in
 6 Romania?

7 A. Would you -- I didn't catch it.

8 Q. Okay.

9 A. Little bit slower.

10 Q. I'm sorry, I probably asked that a little fast.

11 So when you were living in Romania --

12 A. Yes.

13 Q. -- when you were back from 1990 to 2011, did you
 14 talk to anyone or ask anyone about federal taxes, U.S.
 15 federal taxes?

16 A. Why? We're in Romania --

17 Q. Okay.

18 MR. KATZ: Please answer --

19 THE WITNESS: No, no, no. I give more than
 20 answer.

21 BY MR. LINDER:

22 Q. Okay.

23 A. In Romania at that time there is money on the
 24 streets. Every minute that you spend talking I don't
 25 know about what else, you lose some money. Everybody is

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1 concentrated: What we gonna do tomorrow with that
 2 building, with that piece of land. Why talk about
 3 something else? Why talk about the -- no --

4 Q. Okay.

5 A. -- I didn't talk.

6 Q. And when you were in Romania during that time
 7 frame, did you ever talk to anyone, any attorneys,
 8 accountants or anyone about any kind of -- filing any
 9 type of banking reports, foreign bank account reports?

10 A. I didn't know about foreign bank accounts until
 11 Beckley told me.

12 Q. Okay.

13 A. And even that, he did it wrong.

14 MR. LINDER: All right. Government Exhibit 31.

15 (Exhibit 31 was marked.)

16 BY MR. LINDER:

17 Q. I've handed you what's marked as Government
 18 Exhibit 31. Do you recognize --

19 A. Yes. It's my writing.

20 Q. Okay.

21 A. The numbers, the table was produced by the two
 22 people that I mentioned before, the people in Romania.

23 What we have here, it looks to me it's a -- it's an
 24 extract of any things that -- of everything that Beckley
 25 wanted because it has the real estate business, which

1 Q. This document was provided to the IRS. Did you
2 review this document prior to it being transmitted to
3 the IRS?
4 A. I guess so, yes.
5 Q. Okay. And I'm just trying to go down -- I'm
6 trying to figure out, looking down at -- it says here,
7 you have a comment here, you had no awareness at the
8 time -- I'm looking at the fourth paragraph. It says
9 you had no awareness --
10 A. While living in Romania.
11 Q. Yeah.
12 A. Yeah.
13 Q. So the information in this document you would
14 have provided to your attorneys?
15 A. The information of this document?
16 Q. Uh-huh.
17 A. Was what?
18 Q. Okay. This document is not signed. Who would
19 have provided your attorneys or whoever drafted this
20 document with this information?
21 A. Probably somebody from Strasburger under --
22 after talking with me.
23 Q. Okay. Who would have provided Strasburger with
24 this information?
25 A. Me.

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1 Q. My question is: Did you ask your accountant
2 about --
3 A. No.
4 Q. -- filing United States tax returns?
5 MR. KATZ: Object to the form of the question;
6 making assumptions.
7 BY MR. LINDER:
8 Q. So my question is -- you have this statement.
9 And my question is: Did you ask your accountants, the
10 accountants you're referring to in this paragraph, about
11 filing tax returns in the United States?
12 MR. KATZ: Object to the question for the form
13 and for the assumption which is directly contrary to his
14 immediate testimony. He said he didn't have
15 accountants.
16 MR. LINDER: I don't think -- please, Mr. Katz.
17 Please don't testify for the witness. I'll ask the
18 questions and the witness can testify.
19 MR. KATZ: Okay.
20 MR. LINDER: If you have an objection, state
21 your objection, and don't use that to signal, please.
22 MR. KATZ: It's part of my --
23 MR. LINDER: No.
24 MR. KATZ: I'm not signaling. It's part of my
25 objection.

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1 Q. Okay. And I'm just looking at the statement
2 that -- it says -- in that fourth paragraph, it says,
3 "He," which I guess this is referring to you.
4 Would that be a fair statement that it's
5 referring to you, Mr. Bittner?
6 A. "He had no awareness during that time that he
7 was obligated to file United States tax returns" --
8 Yes, that is me, and that's exactly what I feel
9 at that time.
10 Q. Okay. And then you say: Nor did your
11 accountants inform him of the fact.
12 A. Okay.
13 Q. Did you ask your accountants about filing
14 taxes -- about filing United States taxes?
15 A. If I didn't have any -- okay. This is just we
16 are playing a game, a word game.
17 I did not have any personal accountants.
18 Accountants in Romania, they don't know Romanian
19 accounting, let alone tax accounting of the United
20 States. This is --
21 Q. Okay. But this is your statement to the IRS.
22 A. Yes.
23 Q. And you have this statement here your
24 accountants didn't inform you of the tax returns.
25 A. Yes?

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1 BY MR. LINDER:
2 Q. Okay. You referred to accountants in this
3 sentence, "Nor did his accountants inform him of that
4 fact."
5 My question is: Regarding the accountants that
6 are referred to here, did you ask any of your
7 accountants about filing U.S. federal income tax
8 returns?
9 A. No.
10 Q. Okay. And in regards to the accountants that
11 are referred to in this paragraph, did you talk to any
12 of your accountants about any kind of filing of foreign
13 bank account reports?
14 A. No.
15 Q. Did you talk to any of the accountants that
16 would be referred to in this paragraph about any of your
17 tax obligations in the United States?
18 A. No.
19 Q. Okay. The next sentence, we have you severed --
20 it says: Mr. Bittner had severed his connections with
21 the United States and reasonably believed he had no
22 further tax obligations.
23 Do you see that sentence? It's in the same
24 paragraph I just read.
25 A. Yeah, I see it.

<p>1 Q. Okay. So it says here you severed your 2 connections in the United States. What do you mean by 3 that?</p> <p>4 A. I don't mean anything. Let's read, "Nor did his 5 accountants inform him of that fact. Mr. Bittner had 6 severed his connections with the United States and 7 reasonably believed he had no further United States tax 8 obligations." Okay. Now, what is the question?</p> <p>9 Q. Okay. My question is -- the statement here is 10 you severed your connections with the United States. 11 And my question to you is: What do you mean by this 12 sentence? What connections did you sever?</p> <p>13 A. Business connections.</p> <p>14 Q. Any other connections?</p> <p>15 A. None that I think of. Business. I don't do 16 business in United States; I think I don't have to pay 17 taxes.</p> <p>18 Q. Okay. And going on, you talk about -- the next 19 sentence is you're unaware that the United States, 20 unlike most countries, including Romania, tax its 21 citizens on their worldwide income.</p> <p>22 Do you know if Romania taxes its citizens on 23 worldwide income?</p> <p>24 A. No, they don't.</p> <p>25 Q. They don't? And how do you know that?</p>	<p>Page 241</p> <p>1 taxing jurisdiction of the United States differed from 2 other foreign countries that tax earnings only in 3 jurisdiction where the income is generated. Do you see 4 that statement?</p> <p>5 A. Hold on one second.</p> <p>6 Q. Yep. I'm going fast, I know.</p> <p>7 A. "During all that time, he was never contacted by 8 the embassy about any tax return due. He had no reason 9 to believe that the tax jurisdiction of the United 10 States differed from other foreign countries that tax 11 earnings only in the jurisdiction where the income was 12 generated. He has no US source income." Yes.</p> <p>13 Q. All right. My question is: You said -- what 14 foreign countries are you referring to in that sentence 15 that differed from the United States?</p> <p>16 A. How about the rest of the world?</p> <p>17 Q. So you looked at all the world's tax laws --</p> <p>18 A. No. It's a general knowledge. I don't need to 19 read something.</p> <p>20 Q. General knowledge. Where did you get your 21 general knowledge regarding --</p> <p>22 A. Talking in the bars.</p> <p>23 Q. Talking in bars?</p> <p>24 A. Yes, at night.</p> <p>25 Q. Okay. Did you ever talk to any kind -- did you</p>
<p>Page 242</p> <p>1 A. Because when I was in Romania and I was making 2 business in the United States, nobody asked me.</p> <p>3 Q. Okay. But I mean, did you actually go and look 4 at the Romanian tax laws --</p> <p>5 A. No.</p> <p>6 Q. -- to see if they taxed income -- you have to 7 let me finish.</p> <p>8 Did you actually go and look at any kind of 9 Romanian tax laws to see if they taxed worldwide income?</p> <p>10 A. No.</p> <p>11 Q. Okay.</p> <p>12 A. If your question is if me personally I couldn't 13 sleep nighttime and I had -- I wake up in the morning to 14 go read something about taxes in the United States or 15 Romania, Romania against the United States and United 16 States against Romania, no, I didn't do that.</p> <p>17 Q. All right.</p> <p>18 A. And nobody does that.</p> <p>19 Q. All right. Did you go -- did you go ask any of 20 the accountants that are referred to in this 21 statement -- did you go ask them about Romanian tax law 22 on worldwide income?</p> <p>23 A. No.</p> <p>24 Q. Okay. And then down here -- there's this 25 last -- it says: You have no reason to believe that the</p>	<p>Page 244</p> <p>1 ever talk to any kind of accountants regarding the tax 2 laws in both jurisdictions?</p> <p>3 MR. KATZ: Objection; asked and answered.</p> <p>4 Go ahead and answer.</p> <p>5 MR. LINDER: You can answer.</p> <p>6 MR. KATZ: No jokes. Answer the question.</p> <p>7 THE WITNESS: No jokes?</p> <p>8 MR. KATZ: No jokes. Answer the question.</p> <p>9 THE WITNESS: I don't know if the guy next to me 10 was an accountant or not.</p> <p>11 BY MR. LINDER:</p> <p>12 Q. My question: You don't know if you went and 13 talked to any accountant when you were in Romania or 14 anywhere else about the tax laws of other foreign 15 countries, did you?</p> <p>16 A. The subject came into the discussion. To know 17 that this guy is an accountant and to go to him to talk 18 purposely about it, no, no.</p> <p>19 Q. Okay. What about any type of attorneys in 20 Romania or any other country, did you ever go talk to 21 any attorneys about the tax laws of foreign countries?</p> <p>22 A. Me going to ask advice or me complaining or 23 me -- something like this, no.</p> <p>24 Q. Okay.</p> <p>25 A. Big black table and the subject comes around or</p>

<p>1 question.</p> <p>2 THE WITNESS: "Up to about 2000, I had some US 3 source income from an S corporation. I was issued a K-1 4 and I filed returns reporting that income and paying any 5 tax which I understood was my obligation under" -- "tax 6 law."</p> <p>7 You are asking me if I have this K-1 from before 8 2000 -- the year 2000?</p> <p>9 BY MR. LINDER:</p> <p>10 Q. Do you have the K-1?</p> <p>11 A. No.</p> <p>12 Q. Okay. What about the -- any copies of the 13 returns that you would filed?</p> <p>14 A. Before 2000?</p> <p>15 Q. Yes.</p> <p>16 A. No.</p> <p>17 Q. Okay. Who would have prepared -- did you 18 prepare those returns that you're referring to in this 19 paragraph?</p> <p>20 A. No.</p> <p>21 Q. Who would have prepared those for you?</p> <p>22 A. I don't know. Probably my sister or somebody 23 that was hired by my sister.</p> <p>24 Q. Okay. Who would have signed -- did you sign 25 those returns?</p>	<p>Page 249</p> <p>1 wife's signature?</p> <p>2 A. Yes.</p> <p>3 Q. And is the attachment to this -- would that be 4 the attachment you're referring to in this document?</p> <p>5 A. I have one question for Mr. Katz here. Is this 6 the -- is this what we ask IRS and they didn't even 7 answer? Is this the --</p> <p>8 MR. KATZ: Go ahead and answer the --</p> <p>9 MR. LINDER: Let's go back to my questions.</p> <p>10 MR. KATZ: Go ahead and answer.</p> <p>11 THE WITNESS: I want to make a juicy answer if 12 it's something they didn't -- didn't answer and I'm nice 13 and I answer to the government.</p> <p>14 MR. KATZ: No jokes. No juicy answers.</p> <p>15 BY MR. LINDER:</p> <p>16 Q. So we verify your signatures, and above your -- 17 where it says "under penalty of perjury" -- do you see 18 that on the second page of this document?</p> <p>19 A. Yes.</p> <p>20 Q. And you have -- it says, "see attached 21 statement."</p> <p>22 A. Yes.</p> <p>23 Q. Okay. And what I want to -- my question is: Is 24 the statement that's attached -- is that the statement 25 you're referring to in this document?</p>
<p>Page 250</p> <p>1 A. Probably, yes.</p> <p>2 Q. So they would have had to send those returns to 3 you in Romania?</p> <p>4 A. Right.</p> <p>5 Q. And then you would have signed them and sent 6 them back; would that be correct?</p> <p>7 A. Right.</p> <p>8 MR. LINDER: Can we take about five minutes.</p> <p>9 MS. RUBENSTEIN: Absolutely.</p> <p>10 (Recess taken.)</p> <p>11 MR. LINDER: What I'm handing you is marked as 12 Government Exhibit 40.</p> <p>13 (Exhibit 40 was marked.)</p> <p>14 MS. RUBENSTEIN: Yes, 39 was the second.</p> <p>15 MR. KATZ: All right.</p> <p>16 BY MR. LINDER:</p> <p>17 Q. And I've handed you what's marked as Government 18 Exhibit 40. I want you to turn to the second page.</p> <p>19 Is that your signature, Mr. Bittner?</p> <p>20 A. Yes.</p> <p>21 Q. Would you recognize your wife's signature if --</p> <p>22 A. Yes.</p> <p>23 Q. -- you saw it?</p> <p>24 A. Excuse me.</p> <p>25 Q. To the best of your knowledge, is that your</p>	<p>Page 252</p> <p>1 A. You mean the first two pages that I signed? Or 2 the last two pages?</p> <p>3 Q. The last two pages of the attached statement.</p> <p>4 A. Very fast reading.</p> <p>5 Q. Read away. I want --</p> <p>6 A. Yeah.</p> <p>7 Q. -- to make sure we got this right.</p> <p>8 A. Yeah. And it comes the grammar to the rescue, 9 on the last bottom page.</p> <p>10 Yes.</p> <p>11 Q. Okay. And when you got this document, did you 12 read this statement before signing?</p> <p>13 A. You mean the first two pages?</p> <p>14 Q. Yeah. Did you read the attachment, that 15 statement before you signed it?</p> <p>16 A. This, the first two pages?</p> <p>17 Q. Yes.</p> <p>18 A. I guess so. Yes.</p> <p>19 MR. LINDER: Okay. All right. Mr. Bittner, I 20 hand you what's marked as Government Exhibit 41.</p> <p>21 (Exhibit 41 was marked.)</p> <p>22 MR. LINDER: And go off the record real quick.</p> <p>23 (Discussion off the record.)</p> <p>24 MR. LINDER: All right. Let's go back on the 25 record. And I apologize for that.</p>

<p>1 THE REPORTER: I believe so.</p> <p>2 (Exhibit 43 was marked.)</p> <p>3 BY MR. LINDER:</p> <p>4 Q. I'll hand you what's marked as Government</p> <p>5 Exhibit 43.</p> <p>6 And, Mr. Bittner, we spent a lot of time going</p> <p>7 over some of your companies today. And this is just --</p> <p>8 I'll represent this is a page out of an IRS document</p> <p>9 that just references some of the companies that you kind</p> <p>10 of vested in, and I just want you to verify that you</p> <p>11 owned or operated the companies that were listed here.</p> <p>12 MR. KATZ: Object to the form of the question.</p> <p>13 MR. LINDER: Okay.</p> <p>14 MR. KATZ: Specifically the "owned."</p> <p>15 MR. LINDER: All right.</p> <p>16 BY MR. LINDER:</p> <p>17 Q. Mr. Bittner, actually, look at Government</p> <p>18 Exhibit 43. In particular, I'm asking you to just take</p> <p>19 a minute and look at -- it's really the listing here, 1</p> <p>20 through 38 and continued on to the next page.</p> <p>21 Do you recognize these companies that are listed</p> <p>22 here?</p> <p>23 A. Yes.</p> <p>24 Q. Okay. And without going through each company,</p> <p>25 are these companies that you would have had an ownership</p>	Page 257	<p>1 The capitol city.</p> <p>2 Q. Okay. And when you moved back, did you sell</p> <p>3 that?</p> <p>4 A. No. Actually, I bought that when I move. That</p> <p>5 was a government building, confiscated from -- by the</p> <p>6 communists. I was born in that -- It was an apartment</p> <p>7 building but very -- Soviets, looks -- looks Soviets by</p> <p>8 communists conduct. That means you had a few homes.</p> <p>9 And I was born there. I lived all my life</p> <p>10 there. I left there. When I came back, my father and</p> <p>11 my mother were there. I moved with them. My father</p> <p>12 passed away. Meanwhile, you could buy this apartment.</p> <p>13 The government will sell to the tenant. So I bought for</p> <p>14 my mother the apartment, and I refurbish it.</p> <p>15 Then, you know, funny things happen. Then</p> <p>16 somebody else that learned what I was doing at the</p> <p>17 beginning bought the building from the former owner and</p> <p>18 came back to me and say they know it's me. This</p> <p>19 (inaudible) my mother didn't buy in good standard. So</p> <p>20 basically they wanted to scoot her out.</p> <p>21 So I couldn't go. When it's good for me, I go</p> <p>22 this way. But when it's bad for me, I go the other way.</p> <p>23 So I had to be to my standard, so I paid the apartment</p> <p>24 again, same number.</p> <p>25 Q. Okay. And do you still own this apartment</p>
<p>1 interest in?</p> <p>2 A. Yes.</p> <p>3 Q. Okay. And in regards to these companies 1</p> <p>4 through 38, we talked at length on some of them, but are</p> <p>5 any of these companies -- did you operate any of these</p> <p>6 companies?</p> <p>7 A. What do you mean "operate"?</p> <p>8 Q. Did you run them? Did you run the day-to-day</p> <p>9 operations?</p> <p>10 A. I never run any day-to-day operation of any of</p> <p>11 my companies.</p> <p>12 Q. Okay. And so you would hire people to operate</p> <p>13 the companies?</p> <p>14 A. Yeah. Either hire them or they were smaller</p> <p>15 investors.</p> <p>16 Q. Okay.</p> <p>17 A. Or they were getting a salary or being part of</p> <p>18 the business.</p> <p>19 Q. Let's see. Prior to moving back to the states,</p> <p>20 where did you live in Romania?</p> <p>21 A. In the center of Bucharest.</p> <p>22 Q. Okay. Can you give me the address?</p> <p>23 A. Yeah. Cobalcescu, No. 41.</p> <p>24 Q. Okay.</p> <p>25 A. I think I gave it to you before. In Bucharest.</p>	Page 258	<p>1 building today?</p> <p>2 A. After my mother passed away and I knew I'm gonna</p> <p>3 move back to the states, I left it, and it was sold when</p> <p>4 I was in the states.</p> <p>5 Q. Okay. And --</p> <p>6 A. But I paid twice. Is anybody understand what I</p> <p>7 mean? The funny stuff that happens in life?</p> <p>8 MR. KATZ: Yes.</p> <p>9 BY MR. LINDER:</p> <p>10 Q. So how many -- so how many times did you --</p> <p>11 approximately did you travel back from -- when you left</p> <p>12 the United States, how many times did you travel back,</p> <p>13 approximately, do you know?</p> <p>14 A. In the '90s -- In the '90s, '90 and '91, like</p> <p>15 every two, three months, you know, come because the</p> <p>16 family was here. Once the family moved to the -- back</p> <p>17 to -- moved to Romania, my wife was coming almost every</p> <p>18 year or for sure every second year to touch base with</p> <p>19 her mother because Chinese daughter -- mother/daughter</p> <p>20 are very inseparable. And I -- probably I come three or</p> <p>21 four times.</p> <p>22 I come when I turned fifty. So I turn fifty</p> <p>23 in -- fifty-seven plus fifty -- 2007 I came and I had a</p> <p>24 big all-around American tour.</p> <p>25 Q. And in 2007 did you go to Vegas? Las Vegas?</p>

<p>1 A. Yes, and I lost 50,000, and I got arrested</p> <p>2 because I wanted to beat up the manager of the resort.</p> <p>3 Q. So when you lost 50,000, so – so did you bring</p> <p>4 into the states \$50,000 in cash with you?</p> <p>5 A. No. Because that was illegal, and I don't do</p> <p>6 illegal things.</p> <p>7 Q. So how did you have --</p> <p>8 A. I don't know.</p> <p>9 Q. – \$50,000?</p> <p>10 A. I talk to my -- to my brother-in-law -- I talked</p> <p>11 to my brother-in-law, and I said, "Listen, I'm gonna</p> <p>12 come, I'm fifty, for Vegas for sure at least, and then</p> <p>13 please prepare for me cash, 50,000" -- actually 40,000</p> <p>14 because 10,000 -- or more than 10,000, we came legally.</p> <p>15 Under 10,000 when you go through the customs.</p> <p>16 Q. So you understand when you come in and out --</p> <p>17 when you come into the United States or out, you have to</p> <p>18 declare -- if you're holding more than \$10,000 --</p> <p>19 A. You have to declare it.</p> <p>20 Q. – you have to declare that. Okay.</p> <p>21 And so when you came over for Vegas, did you</p> <p>22 send your brother-in-law \$50,000 or he had it there for</p> <p>23 you?</p> <p>24 A. He had it there from different dealings, which I</p> <p>25 don't know. But he's Jewish, too; he didn't give me any</p>	Page 261	<p>1 from realtime.</p> <p>2 I don't know, I read a lot. I study a lot,</p> <p>3 things that are of interest to me.</p> <p>4 Q. Okay. So to finish up, the United States, or</p> <p>5 the IRS, has asserted FBAR penalties against you for</p> <p>6 failing to report – or file reports regarding all your</p> <p>7 foreign accounts. You understand that?</p> <p>8 A. Yes.</p> <p>9 Q. Okay. So explain to me -- if you can explain to</p> <p>10 me, provide me --</p> <p>11 A. How I feel.</p> <p>12 MR. KATZ: No, no, no.</p> <p>13 MS. RUBENSTEIN: Let him finish.</p> <p>14 MR. KATZ: Ask the question.</p> <p>15 BY MR. LINDER:</p> <p>16 Q. Explain to me --</p> <p>17 A. Sure.</p> <p>18 Q. – why -- provide me all the reasons why you</p> <p>19 shouldn't be held liable for the penalties that are</p> <p>20 asserted against you in this case regarding the FBARs.</p> <p>21 A. My words.</p> <p>22 Q. Yeah. I want to know the facts. I want to know</p> <p>23 why you shouldn't be held liable for that.</p> <p>24 A. Those are not facts. They're just my thoughts</p> <p>25 which I develop right now as you ask me.</p>	Page 263
<p>1 present. So if he gave me the money, he counted it</p> <p>2 somewhere.</p> <p>3 Q. Okay. So let's move on.</p> <p>4 Explain to me what the – do you know what the</p> <p>5 Napoleonic legal code is?</p> <p>6 A. Yes.</p> <p>7 Q. What is that?</p> <p>8 A. There are two major codes.</p> <p>9 Q. Okay.</p> <p>10 A. Law codes. It's the Anglo-Saxon code which we</p> <p>11 use here, and it's this piece of trash which was in -- I</p> <p>12 hope it was not invented by Napoleon, which is a</p> <p>13 Napoleon legal code. Which is very complicated, but all</p> <p>14 Europe is using it except – and in Great Britain, it's</p> <p>15 somewhere in between.</p> <p>16 All what I'm explaining now, I'm explaining</p> <p>17 because I like history. Not because I know the tax</p> <p>18 laws, by the way.</p> <p>19 Q. So how did you -- when did you find out -- how</p> <p>20 did you come to find out about the Napoleonic legal</p> <p>21 code?</p> <p>22 A. I know about Andradite. I don't know when I</p> <p>23 find out about Andradite, but I can send you the code.</p> <p>24 And if you go on Google Earth, you will see at the</p> <p>25 bottom of the ocean unbelievable things. Google Earth</p>	Page 262	<p>1 I didn't do any harm to United States by not</p> <p>2 reporting something. I was an idiot. You know when you</p> <p>3 are an idiot, that's not -- that's not something that</p> <p>4 you are supposed to let -- be let go. I didn't know the</p> <p>5 law. That's not supposed to be let go.</p> <p>6 I jaywalk. Okay, I made a mistake. Okay, give</p> <p>7 me a ticket. Okay? See, it's different. I don't say</p> <p>8 let me go. Give me a ticket. What these people want to</p> <p>9 do, they want to hang me. Hey, I jaywalk. Yeah, you</p> <p>10 jaywalk. So give me a ticket. No, no, we gonna hang</p> <p>11 you.</p> <p>12 That is not right. I made a mistake; give me a</p> <p>13 ticket. Educate me, something that I will remember in</p> <p>14 the future not to do the same thing and that I will talk</p> <p>15 with all my friends: Hey, don't jaywalk; you're gonna</p> <p>16 get a ticket.</p> <p>17 But not hanging me. Why? Because I don't want</p> <p>18 to start but -- I don't want to start that because --</p> <p>19 but I have a lot of because documented. Any way,</p> <p>20 doesn't matter.</p> <p>21 Q. So I heard you said no harm to the government.</p> <p>22 I just want to make sure I got this. And then you</p> <p>23 said--these are your words--that you're an idiot.</p> <p>24 A. Yes. I -- I didn't know, I didn't care to learn</p> <p>25 about the law, I didn't think to think about something</p>	Page 264

1 that I didn't think.
 2 Q. Okay.
 3 A. That was a heavy one for you.
 4 Q. And I understand your jaywalk story. But so
 5 harm, you didn't know about the law, as you described
 6 it. I won't say the word again. And what else? What
 7 other reasons? Why shouldn't you be liable? I'm trying
 8 to figure out why you shouldn't -- why you think you
 9 shouldn't be liable.
 10 A. No harm, not important. Actually, if it was
 11 like a balance, why everybody looking at my side of the
 12 balance? Why nobody's looking here? The government
 13 should have done what I explained with the -- and not
 14 only on the FBAR.

15 It would save a lot of private people like me a
 16 lot of money, which I'm not the only person once they go
 17 and work in England or Germany for ten years, they
 18 think -- and pay taxes to Germany, they think that they
 19 don't owe anything.

20 When I started all this, the internet, and I
 21 started to check on internet, all this, this is by -- by
 22 detention. I went to ten doctors about the -- what you
 23 see white here. The last one -- the dermatologist, the
 24 last one told me, "Do you have any kind of problems?"
 25 He said, "You got problems?" I said, "Are you joking?"

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 1 I said, "Yes." "Okay, until you finish your problems,
 2 this will not" -- I finish my problem and it went away.
 3 The scars are still here. Seven years of my life on
 4 this shit. That is punishment. That -- if on top of
 5 everything I have to be punished, that is punishment.
 6 Okay, I am not in the jail, but I cannot sleep at night.
 7 I get this all over my head. That is punishment enough,
 8 I guess, seven years. I mean, if I go and beat somebody
 9 on the street, I get a year, maybe, or two years.

10 Q. Okay. And I just -- listening to you. So you
 11 think -- what do you think the government should have
 12 done? I'm trying to figure out what you think the
 13 government should have done.

14 A. You mean the government that you represent now
 15 on FBAR case, or the government in general on the IRS?
 16 Which standard?

17 Q. The United States. What do you think the
 18 government should have done, the United States,
 19 regarding your move to Romania?

20 A. Move to Romania and us coming back and making
 21 the mistake? First of all, they should have better
 22 agents in IRS. Second, rule number 2, the rules in that
 23 IRS manual should not be: The agent may use it or may
 24 not use it because that opens the door, the agent
 25 usually will not use it -- will not use it. So

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 1 don't issue that manual at all, if the agent may not use
 2 it. Because the agent doesn't use it. Why doesn't use
 3 it? Because I catch -- I spoil her weekend with a male
 4 colleague coming to Dallas to interrogate me without
 5 asking me first: Hey, are you available?

6 We found out this from Freedom of Information
 7 laws. The guy was a different -- he actually -- he was
 8 the lawyer. He did not have the money. She run away
 9 all over IRS to get the money for him to come to Dallas.
 10 They set up the hotels (inaudible.) Then they ask me,
 11 "Oh, call her." I said, "No." "Oh." So very nice
 12 weekend this entire (inaudible.)

13 And then she took -- from that point, then she
 14 sent 19 years to full collection. I made a mistake with
 15 that idiot Beckley. We filed 19 years. Okay, mistake.
 16 She sent to collection all 19 years. And now she -- I
 17 understand that she plays: Oh, I didn't know, I don't
 18 know, I am small, I don't know anything. She is not
 19 small. She's evil.

20 She used her -- her position as a federal agent
 21 to play games with other people life, my life in this
 22 case. I'm very bla.

23 Q. Okay. So I'm not talking about -- I'm talking
 24 about -- not the kind of -- I'm not talking about when
 25 you came back to the states. I'm talking about why

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 1 shouldn't you be liable for not filing these reports
 2 when you're in Romania, and not filing your tax returns
 3 in Romania.

4 So you're -- the conduct you're describing is
 5 you're unhappy with the examination.

6 So I'm asking: What obligation does the
 7 government have to you when you were living in Romania?
 8 Do you understand the question?

9 A. I understand the question, what gov- -- and I
 10 am -- I presume or I hope that the government will take
 11 care of me; the Russians will come to Romania. So I
 12 understand that. And I understand that I have to pay
 13 taxes. And I didn't run away from paying taxes, and I
 14 paid taxes when I thought that the taxes are due in

15 2000- -- or 1996 or '07. Whenever I had that
 16 corporation. I just didn't know I had to pay taxes
 17 then. Then I came back, okay, I have to pay taxes.

18 Yes, I pay taxes. But not like this. Not what she
 19 wants. She wanted to collect 19 years. She wanted
 20 to -- she sent to collections. But she was stupid; she
 21 didn't know the law, how to file the right way.

22 Otherwise, I would have been good to go to sleep on the
 23 street, according with her wishes. Not like that.

24 And even today, I feel all the same thing, I
 25 made a mistake. I jaywalk. Where is the ticket? I pay

1 the ticket. But not hang me. I will never sit quietly
2 to be hanged.

3 MR. LINDER: Okay. I've got no further
4 questions.

5 MR. KATZ: I want to take a -- you want to pass
6 the witness?

7 MR. LINDER: I will pass the witness.

8 MR. KATZ: I want to take a three-minute break,
9 and then we'll come back.

10 MR. LINDER: Okay.

11 (Recess taken.)

12 EXAMINATION

13 BY MR. KATZ:

14 Q. Mr. Bittner, have you looked again at
15 Exhibits 36 and 37?

16 A. Yes.

17 Q. Do you know what those are?

18 A. I understand what is written in there.

19 Q. What are those, just in general?

20 A. Letters to the -- in front of some papers that
21 Beckley did -- sent to IRS that's on my name.

22 Q. Do you know who wrote those letters?

23 A. I didn't write them. I presume Beckley did.

24 Q. Okay.

25 A. I don't know how to write. This and --

1 Q. I'd like to --

2 A. -- both of them the same -- they say basically
3 the same thing. Only in one is I move to Romania in
4 1990 and in one is I moved to America in 1991. So this
5 is a lie.

6 But I explained how the moving was. I moved
7 1990, but then the family moved I don't know when. So
8 Beckley didn't take care of me very well.

9 Q. Okay.

10 A. Put me to -- like two different dates for two
11 different things -- for the same thing, basically, I
12 guess.

13 Q. Thank you. I'm going to show you Exhibit 30 and
14 ask you to take a look at that.

15 A. Yes.

16 Q. And do you remember what that is?

17 A. It's something that was generated by -- by the
18 people in Romania.

19 Q. It appears to be a list of bank accounts?

20 A. Yes.

21 Q. Which bank accounts?

22 A. The bank accounts that -- the bank accounts in
23 Romania that Beckley asked me for.

24 Q. Are those --

25 A. Beckley asked me to give the banks of -- my bank

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1 account in Romania and everything about Romania. After
2 this is another paper with all the business, the
3 businesses, the this and that. A lot of other things.

4 Q. So you obtained that information for Beckley
5 based on what you understood he was asking.

6 A. Right.

7 Q. Let me show you Exhibit 35. And I believe you
8 said before that these are the FBARs that Beckley
9 prepared. Would you take a look at those?

10 A. I cannot swear that this is what he prepared.

11 But if it's one for each account, that's what he
12 prepared.

13 Q. Why is there one account --

14 A. That's what he -- that's what he explained to
15 me.

16 Q. Okay.

17 A. Once again I want to say that it's not that
18 Beckley found anything and it's not that IRS found
19 anything. Every single piece of paper that I've been
20 fighting with the IRS for the last seven years and every
21 single piece of paper that is on this piece of paper, I
22 provide. IRS didn't find anything.

23 They asked me, and I provided as much as I could
24 in order to be legal finally.

25 Q. Now, in this Exhibit 35 --

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1 A. Yes.

2 Q. -- 35, do you see your signature on any of
3 those?

4 A. No.

5 Q. And --

6 A. But this is my writing.

7 Q. Okay.

8 A. Probably I signed the general form or something.

9 Q. Now, you were asked a question -- a number of
10 questions about when you were living in Romania why
11 didn't you go ask people about --

12 A. I --

13 Q. -- let me finish the question, please -- about
14 your tax obligations in the U.S., about whether you had
15 to file forms, whether you had to file bank account
16 forms. And do you recall what your answer was?

17 A. To whom?

18 Q. To Mr. Linder. Why you --

19 A. I don't understand. But I don't know exactly
20 what I said, which is registered somewhere, but let me
21 re-answer about the general meaning -- the general
22 meaning would be the same.

23 Why spend my time and ask somebody in Romania
24 about: Did that -- that Beckley look like somebody that
25 knows the tax law? And he's an executive in tax law in

<p>1 America, and he doesn't know anything about the tax law.</p> <p>2 Why should I waste my breath to ask somebody in Romania</p> <p>3 about the American tax law, the longest tax --</p> <p>4 Q. When you lived --</p> <p>5 A. -- the longest law on the planet. I don't know</p> <p>6 if you guys know that. I found it on the internet. The</p> <p>7 biggest law on the planet is the tax law of United</p> <p>8 States.</p> <p>9 Q. When you lived in Romania, did you have any</p> <p>10 awareness of whether you were supposed to file returns</p> <p>11 in the U.S.?</p> <p>12 A. No. I was feeling very happy and very --</p> <p>13 feeling good about myself that I was doing everything</p> <p>14 like I am supposed to.</p> <p>15 Q. Did you know you were supposed to report U.S. --</p> <p>16 I'm sorry.</p> <p>17 Did you know that you were supposed to file</p> <p>18 returns reporting your worldwide income in the U.S.?</p> <p>19 A. No.</p> <p>20 Q. When did you first hear about the form FBAR?</p> <p>21 A. From Beckley towards the end of his filing</p> <p>22 because at the beginning he only asked me questions and</p> <p>23 filled the returns, regular tax returns. He came with</p> <p>24 FBAR the last two weeks: Ha, FBAR, FBAR. Like now that</p> <p>25 I remember, his posture at that time, he's like he just</p>	<p>Page 273</p> <p>1 Q. Did you withhold anything from him</p> <p>2 intentionally?</p> <p>3 A. Not -- not -- whatever he asked, he got usually</p> <p>4 in 24 hours.</p> <p>5 Q. What about Mr. Booker?</p> <p>6 A. Same thing.</p> <p>7 Q. How much --</p> <p>8 A. With Booker, even better. I just let him talk</p> <p>9 to Romania. The guy that speak English is Eugen, and I</p> <p>10 told Eugen in three, "With Booker, Eugen, whatever this</p> <p>11 guy ask -- Mr. Beckley ask, you give to Mr. Booker."</p> <p>12 Q. Was Booker supplied with everything he asked?</p> <p>13 A. Yes.</p> <p>14 Q. Did you intentionally withhold anything?</p> <p>15 A. No.</p> <p>16 Q. What did all of this cost you to get all these</p> <p>17 returns prepared by Booker?</p> <p>18 A. Booker by itself? How about you? You cost me a</p> <p>19 lot more than Booker.</p> <p>20 Q. Let's talk about Booker.</p> <p>21 MR. LINDER: No --</p> <p>22 MS. RUBENSTEIN: He can go ahead.</p> <p>23 THE WITNESS: Booker, I think way over 100,000.</p> <p>24 BY MR. KATZ:</p> <p>25 Q. And what about me?</p>
<p>Page 274</p> <p>1 found out in the last two weeks with me dealing with him</p> <p>2 about the FBAR, and then he told me to file on -- I</p> <p>3 understood. He didn't say file only one. I understood</p> <p>4 that I have to file the biggest account, personal</p> <p>5 account that I had for that year on one bank. Not every</p> <p>6 single bank that I had in Romania.</p> <p>7 And, actually, he did not say anything about</p> <p>8 other bank. The way he -- the way I got it from him --</p> <p>9 not the way he explained to me -- is what I understood</p> <p>10 is that the business produced money in Romania. The</p> <p>11 business for Romania paid me money in my own account.</p> <p>12 On which account I had the most money in Romania coming</p> <p>13 from businesses or from transaction. So this is the</p> <p>14 bank, the account for this year, the biggest bank</p> <p>15 account transaction for the account in Romania. So I</p> <p>16 didn't put the foreign banks' account because I didn't</p> <p>17 do business with the foreign banks. I didn't receive</p> <p>18 income.</p> <p>19 Q. Did Mr. Beckley ever tell you that you might</p> <p>20 have to file FBARs for companies you had an ownership</p> <p>21 interest in?</p> <p>22 A. No.</p> <p>23 Q. Did you supply everything to Mr. Beckley that he</p> <p>24 asked you to supply?</p> <p>25 A. Yes.</p>	<p>Page 276</p> <p>1 A. You are way over a million at this time.</p> <p>2 Q. Okay. Do you know what portion --</p> <p>3 A. Way over.</p> <p>4 Q. Do you know what portion --</p> <p>5 A. With all the discount. He give me a discount.</p> <p>6 MS. RUBENSTEIN: It has been seven years.</p> <p>7 THE WITNESS: Yeah.</p> <p>8 BY MR. KATZ:</p> <p>9 Q. Do you know what was attributable to preparing,</p> <p>10 reviewing returns, and supplying information?</p> <p>11 A. I presume that the golden years, 2016, '14, and</p> <p>12 '15, were the years when I lost whatever hair I used to</p> <p>13 have and I got these scars. Those were the most</p> <p>14 intensive years. And last year was very intensive, but</p> <p>15 last year because of the -- preparing for the tax code.</p> <p>16 Q. How about the --</p> <p>17 A. Other than that, was regular, you know, 30,000</p> <p>18 per month, 50,000 per month.</p> <p>19 Q. How about the --</p> <p>20 A. Regular month.</p> <p>21 Q. How about the people in Romania, how much time</p> <p>22 did they spend on responding, on getting information to</p> <p>23 Booker?</p> <p>24 A. To Booker.</p> <p>25 MS. RUBENSTEIN: And us.</p>

1 I, ALEXANDRU BITTNER, have read the foregoing
2 deposition and hereby affix my signature that same is
3 true and correct, except as noted above.
4
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6
7

ALEXANDRU BITTNER

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Page 289
1 contains any changes and the reasons therefor;
2 _____ was not requested by the deponent or a party
3 before the completion of the deposition.
4 I further certify that I am neither attorney nor
5 counsel for, related to, nor employed by any of the
6 parties to the action in which this testimony was taken.
7 Further, I am not a relative or employee of any
8 attorney of record in this cause, nor do I have a
9 financial interest in the action.
10 Subscribed and sworn to on this the 2nd
11 day of March, 2020.
12
13
14
15 *Marleen Campbell*
16 MARLEEN CAMPBELL, CSR No. 7554
17 Lexitas - Firm Registration No. 539
18 100 N.E. Loop 410, Suite 955
19 San Antonio, Texas 78216
20 210-481-7575
21
22
23
24
25

Page 290
1 IN THE UNITED STATES DISTRICT COURT FOR THE
2 EASTERN DISTRICT OF TEXAS
3 SHERMAN DIVISION
4
5 UNITED STATES OF AMERICA,
6 Plaintiff,
7
8 V. Case No. 4:19-cv-00415
9
10 ALEXANDRU BITTNER,
11 Defendant.
12
13
14 REPORTER'S CERTIFICATION
15 ORAL DEPOSITION OF
16 ALEXANDRU BITTNER
17 FEBRUARY 12, 2020
18
19
20 I, MARLEEN CAMPBELL, Certified Shorthand Reporter,
21 hereby certify to the following:
22 That the witness, ALEXANDRU BITTNER, was duly sworn
23 by the officer and that the transcript of the oral
24 deposition is a true record of the testimony given by
25 the witness.
26 I further certify that pursuant to FRCP Rule
27 30(e)(1) that the signature of the deponent:
28 _____ was requested by the deponent or a party
29 before the completion of the deposition and returned
30 within 30 days from date of receipt of the transcript.
31 If returned, the attached Changes and Signature Page